

Florida Class Action Begins as Cemetery-Plot Buyers Say Funeral Company Is Dead Wrong

Contract purchase prices run from about \$15,000 and \$20,000.

May 04, 2023 at 03:14 PM

6 minute read

[Class Actions](#)



Jorge Piedra, Kozyak Tropin & Throckmorton left, and Alexander Heydemann, Weinberg Wheeler Hudgins Gunn & Dial, right. Courtesy photos



Lisa Willis [→](#)

The largest funeral home company in the world has “closed the market” on the resale of cemetery lot packages, according to three Miami-Dade residents who filed a proposed class action on behalf of what attorneys say could be tens of thousands of customers.

Attorney Jorge Piedra, new managing partner at Kozyak Tropin & Throckmorton, is taking the lead in litigating the class action against Service Corporation International, a Houston-headquartered operation with a network of more than 2,000 locations in Florida, across the United States and Canada.

Plaintiffs Maribel Capote, Caridad Salmeron and Pedro Valdivieso, all Miami-Dade residents, brought the class action on behalf of Florida citizens who say the defendant, Service Corporation International, wrongfully prohibited them from selling or transferring their pre-need burial contracts.

“At some point right after the pandemic slowed down, SCI—which is the largest provider of end-of-life products and services in North America—changed their policy, and they decided that they were no longer going to allow or honor the merchandise and services part of the transfer,” Piedra said.

[Click here to read the full complaint](#)

Defense counsel representing Service Corporation International is Alexander “Alec” Heydemann, whose practice focuses on high-stakes litigation including class actions, commercial litigation, and other complex civil litigation.

“We have no comment, other than that we intend to vigorously defend these meritless claims,” said Heydemann, a partner with Weinberg Wheeler Hudgins Gunn & Dial, which has offices in Miami and Atlanta.

‘The Original People Are Stuck’

The complaint said those affected bought package deals, which included land and other services and items like headstones, markers, viewing arrangements and other post-death services the company offered.

Piedra said the potential class would include every client with purchased a pre-need contract and hasn’t been buried. “They might not be impacted today if they’re not in the market to sell right now, but their rights have been affected, and the value of their contract has certainly been affected,” Piedra said. “It includes everybody who has a pre-need contract that hasn’t used it, which is in the hundreds of thousands of people for sure.”

Contract purchase prices, Piedra estimates, run between \$15,000 and \$20,000.

A large part of the purchase price, Piedra said, includes the merchandise and services associated with the lot.

“The casket, headstone and all that might cost as much, if not more, than the plot of land itself,” he said. “Traditionally you were able to transfer these goods and services along with the plot. It was really not an issue or not a problem.”

But things have changed, the attorney said.

“The effect is that it basically renders your contract, if not worthless, worth a whole lot less than what you paid for it. And it makes

it effectively un-transferable,” Piedra said. “If somebody is only going to get a lot, they’re going to have to go back to SCI to buy those packaged goods and services again.”

Piedra said the new arrangement closes the market, so that new customers who want pre-need contracts must go back to Service Corporation International and start the process from the beginning.

“So the original people are stuck with their cemetery plot and with all these services they may no longer want or need,” Piedra said. “And they have forced all ... the people that were out there—that would have otherwise bought their pre-need contracts through the secondary market—they’ve forced them back directly to SCI, so that SCI could sell a new package.”

Prior Litigation

In the United States, the death care industry is worth an estimated \$19 billion. And while there are many smaller funeral homes and family-owned businesses, there are also a few large corporations that dominate the market, according to [memorials.com website](http://memorials.com).

Service Corporation International, which Memorials’ website touts as No. 1 in the nation, lists the company as a provider of funeral goods and services as well as cemetery property and services headquartered in Texas, and operates secondary corporate offices in Louisiana.

Service Corporation International and its brand affiliates have been sued in Florida before.



Neptune Society office in

Plantation, FL. Photo: Lisa Willis/ALM

SCI Direct Inc., formerly called Neptune Society Management Corp., was named as co-defendant in the class-action suit by West Palm Beach resident Nancy Taylor in April 2020 in U.S. District Court for the Southern District of Florida in Fort Lauderdale.

In June of 2022 that case was settled with 87,000 class members at \$2,400 per class member for a total of nearly \$209 million, court records show.

Service Corporation International and brand affiliate Neptune were named in the settlement based on unjust enrichment and violations of the state's Deceptive and Unfair Trade Practices Act. .

In 2003, Fort Lauderdale Judge Leonard Fleet agreed to a \$100 million damage award settlement after Service Corporation International was sued amid accusations its employees desecrated the graves at two Jewish cemeteries in Southwest Ranches.

Litigants Sheldon Cohen and Paula Trigureros claimed that 20 years after their father was buried at the Menorah Gardens cemetery in West Palm Beach, his remains had been disposed of in neighbouring woods.

Other complaints alleged lots at the cemetery were oversold.

Following that settlement, the funeral company paid \$14 million in fines and compensation after an action by the Florida state attorney general. The funeral company promised new procedures so that the offences cannot be repeated ensuring all graves were properly marked and the grounds could accommodate all plots sold, according to the settlement.

Additionally, Service Corporation International also settled a separate class-action lawsuit on behalf of 350 families for \$100 million over the Southwest Ranches incident, according to a news report.

Plaintiff counsel Piedra said one of the causes of action in his case involves alleged violations of the Florida Funeral Act, Chapter 497, which spells out the rules for funeral, cemetery and consumer services.

Piedra said, "We believe this activity is a violation of the Florida Deceptive and Unfair Trade Practices Act, as well as the Florida Funeral Act, and we're confident we're going to win."