

# PROFILE

By Alice Adams

# A SUCCESSFUL 30-YEAR COLLABORATION

## THE FORESIGHT COMPANIES AND PELLERIN FUNERAL HOMES

The following is a case study about funeral home owners who partnered with The Foresight Companies' consultants to optimize their position in the marketplace. Through this relationship, the family-owned funeral home maximized its value, streamlined operations and, ultimately, sold at the right time, to the right buyer for the right price.

In the beginning, Ray Pellerin, a second-generation funeral director, stepped into the leadership role of his family's funeral home – in the heart of Cajun Country – in 1962, not quite 10 years after his father, Harris J. Pellerin, the Pellerin Funeral Home's founder, was diagnosed with Parkinson's disease. Ray was still in his 20s.

Harris, always a progressive visionary in the profession, established Pellerin's as an undertaking company in Breaux Bridge, Louisiana, in 1921. The son of Beaux Bridge natives Frank and Aurelia Pellerin, Harris was only 20 years old at the time. The town's population, which stagnated in the last two decades of the 1800s, had exploded to more than 1,100 by the 1920s, and the demand for young Pellerin's services grew quickly. In

addition to transporting decedents to churches and cemeteries, he initially provided embalming and held wakes in private homes. The caskets he used were built in his father's furniture store.

By 1942, Harris had opened Pellerin Funeral Home in Breaux Bridge, and continued offering emergency ambulance service to the residents of the region, a service he had begun several years earlier. That same year he purchased a Miller Tu-level Cadillac ambulance, to be added to his existing fleet of ambulances and hearses.

After being diagnosed with Parkinson's disease in 1952, Harris Pellerin's condition made it too difficult to run the business without help. By the early 1960s, Ray Pellerin – still in his 20s – was needed to take the helm of the family firm. By that

time, Pellerin's had established a reputation as one of the leading funeral homes in south-central Louisiana and had acquired additional locations in Henderson, St. Martinsville and Arnaudville.

In expanding Pellerin's services, Harris also had built Pellerin Insurance Service Co. as an adjunct to his funeral homes, and, along with his business endeavors, he was totally committed and involved in the communities he served.

### PASSING THE TORCH TO THE NEXT GENERATION

At the annual Pellerin employees' barbecue on Sept. 2, 1962, Harris had an important announcement to make: His son Ray had enrolled at the Dallas Institute – Gupton-Jones Mortuary College and, upon completion of the



**GENE (LEFT) AND FRANK PELLERIN RECENTLY SOLD THE FAMILY-OWNED PELLERIN FUNERAL HOME IN LOUISIANA. (PHOTO CREDIT: SALLY ANGELLE)**

embalming course, would return home to assume management duties at the funeral homes.

Like his father, who was never intimidated by a challenge or hard work, Ray – who, originally studied to be a mechanical engineer – also had a natural business sense and was a visionary. After Harris' death in 1971, the young Pellerin continued his father's quest for growth while setting the bar for service excellence even higher.

And if Harris Pellerin was committed to the Pellerin Funeral Home communities, Ray doubled down on that commitment, evidenced by his presidency of the Crawfish Festival Association, volunteering on the Breaux Bridge Volunteer Fire Department, as representative from Breaux Bridge to the St. Martin Parish Fire District Steering Committee and a member of the Breaux Bridge Saddle Club and the Lions Club.

Like his father, Ray also served as president of the Louisiana Funeral Directors Association and president of the Southwest Louisiana Funeral Directors Association.

### **ADDING A CONSULTANT TO THE PELLERIN TEAM BEGINS A NEW CHAPTER**

All of this is back story, leading up to the 1980s, when Ray Pellerin heard a presentation by Dan Isard at a National Funeral Directors Association Convention. That led to the two meeting after Dan's talk and a telephone conversation after the convention, followed by a 30-year, multi-generational collaboration between Isard's consulting organization, The Foresight Companies, and Pellerin Funeral Home.

Those early conversations laid the foundation for a consulting relationship spanning the Pellerins' business journey for two generations, from finding solutions to everyday problems, keeping up with new technologies, making changes that come with growth and, quite unexpectedly, serving families during a pandemic that required quick stops, sharp turns and a just-in-time business agility.

At the same time, Ray (and later his sons, Frank and Gene) had the responsibility of taking care of employees, staffing issues, changes in business volume during economic downturns and, in 2022, the

process of selling Pellerin's to Michael Soper, president and CEO of The Legacy Funeral Group, with every challenge shepherded by The Foresight Companies.

### **ANOTHER WAY OF LOOKING AT IT**

Think about this 30-year collaboration using a football analogy: The owners (the Pellerins) were the quarterbacks and Foresight consultants were coaches. The coaches drew up the game plan; the quarterbacks executed and called the audibles. In the huddle, they were all responsible for making sure everyone was focused on the same goal.

The coaches' jobs included conditioning the quarterbacks (educating and informing them about trends, market conditions, opportunities to expand or grow their market share). As a coach, for example, Foresight's Chief Executive Officer Chris Cruger, a recognized industry innovator and thought leader, prepares his quarterbacks by using data to forecast future possibilities, best- and worst-case scenarios and sharing comprehensive solutions ... and at the end of a winning season, not allowing those



**SKYDIVE SPACELAND TANDEM INSTRUCTOR KATY VAN LOWE IS ATTACHED TO THE FORESIGHT COMPANIES CEO CHRIS CRUGER DURING A SKYDIVING JUMP WITH FRANK PELLERIN. (PHOTO CREDIT: SKYDIVE SPACELAND VIDEOGRAPHER/CARLOS RODRIGUEZ)**

quarterbacks to get lost in the euphoria of the moment so they could get ready for the next step.

Thirty years ago, Ray Pellerin was experiencing the day-to-day challenges unique to any funeral practice, and as he shared these with Isard, they were able to craft solutions only a consultant familiar with funeral service could understand and process. As their mutual trust and respect continued, Ray began relying more on Isard and The Foresight Companies.

It also was this trusted long-standing relationship that encouraged Ray Pellerin to begin to think beyond the day-to-day to succession for the funeral home.

### **A THIRD GENERATION JOINS PELLERIN'S RANKS**

Gene Pellerin is little more than 12 months older than his brother Frank. As Ray Pellerin's sons, they had grown up around the family's funeral home, helping with any variety of tasks during church services, at cemeteries and myriad duties at the firm.

Both were licensed after graduation from Louisiana State University and Commonwealth Institute in Houston, and while Gene focused on the family's funeral homes, Frank took the leadership role in the insurance company so their

parents could take well-earned time away from the businesses.

Although both brothers had contemplated other careers – Gene, law enforcement, and Frank, attorney – they promised to buy the family businesses after mortuary school. True to their word, after graduation, they signed on the dotted line, fulfilling their agreement. “We had been around it so long,” Gene quipped, “you could say we were bred into the business.”

Cruger said the key quality of the Pellerin relationship has been them realizing they didn't have all the answers and knowing there were solutions, perhaps a better way that could be gleaned from a consultant bringing new perspectives and rich data resources.

“Foresights' principals have a combined 100 years' experience in funeral service and cemetery management and can guide our clients to a point where they are comfortable enough – and willing – to look inside and do things differently,” he said. “In the case of the Pellerins, they were immediately receptive to our direction toward improvement.

“The process is fairly simple,” Cruger continued. “We assess the company's current position and review budgets. We

then work together on a SWOT (strengths, weaknesses, opportunities and threats) analysis and customize a business plan using our resources and data analysis to determine and focus on the needs and goals of each client.

“Together, in periodic assessments and planning sessions, we find solutions – looking at trends, and using current data – to help clients provide value, align costs, address staffing issues, all targeted toward moving the needle of their business. Bottom line, throughout our 30-year relationship with the Pellerins, we were able to help them adjust their business to any changes, avert problems, incorporate new trends, position them to be more successful and plan for their next chapter.”

“At The Foresight Companies, our client relationships have always – and will continue to be – about respect and treating others as you wish to be treated,” Cruger said. “We have built our reputation on three simple pillars:

1. Always doing the right thing.
2. Do the best you can.
3. Make sure they know you care.

“We also encourage our clients to make sure they are surrounded by good people doing the right thing. If this is at your center, as the Pellerins found, you

will never lose,” Cruger added. “We believe this ourselves, because The Foresight Companies have been blessed with good people that continually contribute to the success of our ministry within this profession.”

## CREATING A LIFE-CHANGING SUCCESSION PLAN

As second-generation funeral director Ray Pellerin continued to grow the business his father founded, he relied on The Foresight Companies’ Isard for periodic valuations, assessments, and periodic discussions through the years.

Gene remembered when Isard suggested guaranteeing pre-need prices, as one example. “At the time, it was rare, but it was the smartest thing we did,” he said.

“When we met Chris Cruger in 2018, we were in the process of buying funeral homes,” Frank Pellerin explained. “Gene and I were both impressed with his approach. Chris doesn’t talk over your head. He is easy to deal with and always says the right thing at the right time. You may not like what he says – like suggesting we restructure prices – but Dan and Chris got us running our business like a business, like a family business.”

The brothers remember when they began thinking about succession. “We had ended up buying out our non-active stockholders – our dad and sister. We also had restructured and trimmed the business, thinking we would sell the business in five to 10 years,” Frank remembered. “We knew we were nearing that time.”

Not too long after that discussion, the Pellerins met with Chris for a regularly scheduled review of the funeral home’s financials. As Frank explained, “We knew some of the progressive folks were selling. So, during that meeting, we mentioned we may be ready to sell in five or 10 years. That’s when Chris surprised us with his response.

“He told us now was the right time to sell,” Gene remembered.

Not coincidentally, the Pellerin’s business was market-ready, thanks to Isard’s and Cruger’s guidance, suggestions and oversight through the years.

“So, on Feb. 15, 2022, we were thinking five or 10 years,” Gene said. “On Feb. 16, 2022, we put the business on the market. Several days later, Chris called, saying he had three prospects and one week later, we had a buyer.

## Qualities of a strong collaborative relationship:

- 1 Communication.
- 2 Engagement – accountability and follow-through.
- 3 Humility.
- 4 Self-awareness.
- 5 Diligence – being on top of trends and problems and being organized.
- 6 Openness.
- 7 In all of this – as a relationship of trust is developed – consider the consultant as your priest, your attorney and, above all, a non-judgmental member of your team.
- 8 Be ready to travel, using the recommended roadmap to success.
- 9 Your relationship with a consultant always begins with a single question: How do we take what you’ve done in the past and grow from there.
- 10 Do not allow egos to get in the way. An owner may be embarrassed about their record keeping, their lack of technology or past decisions. If their ego gets in the way, it can become a serious obstacle to their success.

“It was fast, way faster than we imagined, but we trusted Chris. We were pinching ourselves, asking, ‘Is this really happening? But the sale was completed on April 26, 2022.’”

As they signed on the dotted line, Gene and Frank Pellerin did so, knowing they had left a little money on the table. “We didn’t sell to the highest bidder,” Frank confessed, “but we had known the buyer – Michael Soper, president and CEO of the Legacy Funeral Group – for eight years, and his Chief Operations Officer Bill Wimberly for almost three decades.

### FROM THE BUYER’S PERSPECTIVE

Legacy Funeral Group’s Soper, Pellerin’s new owner, has known Cruger since they worked together at Service Corporation International in Houston and have been friends since then.

“When Chris reached out to me, I had known Gene Pellerin for many years. We had worked together on legislative issues, and I knew he was highly respected, a funeral director’s funeral director,” Soper said. “Gene’s reputation, the reputation of the Pellerin family and the reputation of the 100-year-old firm were strong selling points, as was the growth of the business over the last 20 years.”

The second attraction for Soper was Pellerin’s proximity to other Legacy firms. “It was a good fit with the Legacy firms in southeast Louisiana. They have respected us as a regionally-owned business, and the transition has been unbelievably smooth transition because of shared values and similar cultures.

“For me as the buyer, the owners were ready to sell, had structure in place for the next buyer and it was a nice fit for everyone,” Soper said. “My son Perri, like



**FROM LEFT: FRANK AND GENE PELLERIN RECENTLY SOLD THEIR BUSINESS TO MICHAEL SOPER, FOUNDER OF LEGACY FUNERAL GROUP. BOTTOM FROM LEFT: GENE PELLERIN AND HIS WIFE, SUSANA, CHRIS CRUGER AND FRANK PELLERIN. (PHOTO CREDIT: SALLY ANGELLE )**

Gene and Frank, was about 12 when he started helping in our funeral homes, and the Pellerins reconfirmed what I did – raising my son in the culture – was the right thing.”

Soper, like the Pellerins, has high praise for Cruger’s role in the sale. “He was involved intimately, as was the Foresight team. He also knew both the buyer and the seller well, so he knew it was important to all of us that it go smoothly, and I can honestly say, this has been the best process I have experienced in decades.”

Since founding Legacy Funeral Group in 1998, Soper has established a culture where people can use their God-given talents to grow along with the organization. The company employs 1,000 in 150 locations, including 30 in southern and south-central Louisiana.

### **SOME FINAL THOUGHTS**

“As we put the business on the market, we were very concerned about our 34-member staff, like we wanted the new owner to maintain their salaries and benefits,” Gene Pellerin said. “Frank and I knew we were OK and wanted to make sure our staff members were also OK.

“It’s the way we were raised, our nature,” he continued. “Our dad taught us you must earn respect. When we came into the business, we had to earn the respect of the employees. That included

treating them well, some who had been with us for decades.

“We also felt Pellerin Funeral Home had been at the top of the market and believed Michael would maintain that same level of service,” Frank said. “Now, a year later, the majority of our community doesn’t realize we’ve sold.”

Gene admits, the most difficult day of his life was telling the staff Pellerin Funeral Home was being sold, but as early as three months into the transition, everything was going very well.

What advice would Gene and Frank Pellerin give to a multi-generational firm about selling?

“Before you sell, hire Chris Cruger,” Gene said. “Have a consulting firm, someone, unbiased, to lead you through the process. Some owners may have blinders on, so you need that consultant to help set realistic expectations.

“Remember, too, cremation is on the rise, so be ready to adapt. Whether you plan to sell in five or 10 years or even more, use the time now, getting ready to get ready. Chris had worked with us over the past years to have our financials in order, to have all our paperwork up to date and our business operating efficiently.

“Whether we admit it or not, every owner has a huge emotional attachment to the family business and this tends to cloud your vision about the direction your firm is going in,” Gene continued. “Everyone needs an outside firm to hold you accountable, so as quickly as you make a wrong turn, you can correct it. In our case, Chris brought us to a new level ... and our company is in good hands. That’s life-changing! And, thanks to The Foresight Companies and their guidance, Frank and I are now learning, there is definitely life after funeral service!” •

