

C A S E S

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CONSUMER LAW---TEMPORARY RESTRAINTS PLACED UPON DOOR-TO-DOOR SALES  
OF CEMETERY PLOTS

Olive v. Graceland Sales Corp. (Superior Court, Chancery Division, Essex County, Docket No. C-2625-70, Temporary Restraining Order signed May 5, 1971) by Elliot M. Baumgart and Robert L. Martin, Essex County Legal Services.

This is a consumer class action which contests the validity of contracts entered into between consumers and door-to-door sellers of cemetery plots. The consumers are, for the most part, low-income blacks who live in the North Jersey metropolitan area.

The consumers allege that Graceland's salesmen made a number of misrepresentations, including statements that (1) the contract would not be binding until the consumers visited the cemetery to select a specific site; (2) the consumers would be rewarded for supplying Graceland with the names of additional prospective customers; (3) the contract would not be binding until the consumer paid a deposit; (4) the cost of the plot included burial and funeral costs; and (5) the purchase of a plot at this time would result in a considerable saving over the "normal" cost. The consumers contend that the contracts are void and unenforceable because they fail to set forth with specificity the total cost of the plot, the total number of payments due, the total finance charges, and other essential terms. The consumers contend further that promissory notes executed in conjunction with the contracts are void because at the time of signing, the notes did not state the amount of the monthly installment payments and the total dollar amount. The consumers seek rescission of the contracts, restitution of all monies paid by the consumers, vacation of default judgments; injunctive relief, and compensatory and punitive damages.

On May 5 Superior Court Judge Samuel Allcorn, Jr. signed a Temporary Restraining Order temporarily prohibiting Graceland from enforcing any obligations arising out of the contracts and promissory notes and from making any misrepresentations.

Complaint; Order to Show Cause; Temporary Restraining Order.