

# CONSUMER COMPLAINTS SETTLING PROCESS: ACTUALITIES AND PROPOSAL FOR IMPROVEMENT

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## I *Introduction*

### 1 *The purpose of this article*

During the last ten years or so, especially in the industrialized countries, the problem of consumer protection has attracted public attention. It has become one of the worldwide pressing legal problems. It is not only a question of substantive law but also a question of procedural law, namely, the process of settling consumer complaints in court or elsewhere. In Japan many have taken keen interest in this problem, published numerous studies and made various proposals. Most published studies, however, concentrated mainly on the personal injuries which are individually very small but collectively very large due to common occurrence to many consumers, and these studies were made to understand systems of settling this type of injuries judicially. These studies are not at all improper but appropriate because of the fact that, in this modern economic environment, mass production and economy of scale dictates large industrial power raising against the diminishing consumers' ability to stand eye to eye with these industries.

For an individual consumer, however, it is also important to recover from these minor injuries which occur only to him. As it is fruitless for an individual consumer to bring a lawsuit in court for this type of injuries, one must consider other methods judicial or administrative, for the settlement of consumer claims. In Japan, administrative agencies play an important role in consumer protection. The State has founded "Kokumin Seikatsu Center" (the National Consumer Center), and in certain prefectures and cities consumer centers

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("Shōhisha Center," or "Shōhi Seikatsu Center" or the like) have also become operative. These administrative agencies (hereinafter called "the Center") provide counselling service for consumers and sometimes mediate dispute between consumer and sellers. If we are to design an effective system for consumer protection, this function of the Center can not be ignored. It is the purpose of this article to evaluate the function of the Center by examining data objectively and to make a proposal to improve its inadequacies, if any.

## 2 *The data availed*

For this purpose the data gathered by the "Shōhisha Funsō Kaiketsu Tetsuzuki Kenkyūkai" (Study group for the settling process of consumer complaints)<sup>1</sup>, in which I myself am a member, are useful<sup>2</sup>. Using parts of these data I will examine in this article the function of the Center (II), clarify some inadequacies in the present system and propose improvement of them (III). This article owes greatly to the field research and discussion held between the members of the study group, but I will take the responsibility for omissions and errors made in this article.<sup>3</sup>

The research conducted by the study group consists of two projects which were made possible through a questionnaire method:

1) The addressees of **project A** were 408 consumers who brought their complaints to the Osaka Shi Shōhisha Center (the Osaka City Consumer Center) from January 1, 1976 to December 31, 1976. 207 (50.7%) of the addressees returned their answers to the questionnaire.

2) The addressees of **project B** were 1800 consumers who brought their complaints with actual physical injuries or complaints regarding hazardous or unsafe products which may be dangerous to the Kokumin Seikatsu Center (the National Consumer Center) from April 1, 1974 to August 31, 1978. 903 (50.2%) of the addressees returned their answers.

Although project A and B are slightly different in the order and content of the questions, the questionnaire essentially consisted of the following items: 1. The nature of the claims brought into the Center, and the types of consumer items involved, together with the damages sought. 2. The method of direct negotiation between consumer and sellers conducted before the Center's mediation and the result of such negotiation. 3. The effectiveness of the Center in the settling process, consumer's aim and satisfaction with the Center in the mediation and the actual settlement. 4. The follow up of the consumer complaints after the settlement at the Center's mediation.

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<sup>2</sup> To know the result of the research by the group, see "Shōhishafunsō Kaiketsu-katei no Jittai" (Actualities of Consumer Complaint Settling Process), in *Jurist*, No. 709, p. 98 et seq., No. 710, p. 138 et seq., No. 711, p. 122 et seq., No. 712, p. 151 et seq.

<sup>3</sup> I am much obliged to Seiichi Tanaka (Attorney at Law) and David Nakabayashi (Student of University of California Law School Hastings) for their helpful advices.

## II Actual Data concerning Consumer Complaints Settling Process

### 1 Actual consumer claims in the Center

Table 1 shows the types of items the consumers complained of. Furnitures dominated both in A (47.3%) and in B (61.5%). Clothing items were the second in A (25.1%), but conspicuously in B clothing items were few (1.6%). Foods items were in both projects relatively few. The reason for the large number of complaints in furnitures in B (61.5%) was that the Center advertised in the newspaper regarding a certain defective enameled ironpot.

Table 2 shows the nature of consumer complaints. The majority of the complaints

TABLE 1. ITEMS OF THE CONSUMER COMPLAINTS

	Project A 207 cases	Project B 903 cases
Furnitures	47.3%	61.5%
Clothes	25.1	1.6
Foods	8.7	8.2
Others	18.9	28.7

TABLE 2. NATURE OF THE CONSUMER COMPLAINTS

	Project A 207 cases (MA)	Project B 903 cases (MA)
Quality of Goods	68.6%	75.0%
Servicing of Goods	30.0	—
Personal Injuries	13.5	21.7
Others	36.6	67.2

\* "(MA)" shows the question where answerers are allowed multiple answers.

TABLE 3. AMOUNT OF THE CLAIM

	Project B 823 cases
less than 1,000 yen	9.1%
1,000 yen — 3,000	26.0
3,000 — 5,000	15.1
5,000 — 10,000	9.2
10,000 — 30,000	11.2
30,000 — 100,000	9.3
100,000 — 500,000	7.8
500,000 — 1,000,000	1.8
over 1,000,000	2.7

focused on the quality and suitability of the consumer goods.

**Table 3** shows the monetary amount of the claims in **B**. In the majority of the cases the claims were less than 5,000 yen.

## 2 *Direct negotiation in advance of the Center's intervention*

**Table 4** shows the proportion of the cases in which the consumers conducted direct negotiation with the sellers before seeking the help of the Center. Cases on which direct negotiation was conducted occupied two thirds of the entire cases in **A**, but vice versa in **B**. The reason for this result is not clear, however this may be due to some regional distinction.

**Table 5** shows the type of sellers who were involved in the direct negotiation indicated in Table 4. Stores and salespeople were the primary source of complaint, indicating disputes in sales agreement in **A** (44.9%, 15.2 %), but in **B** the manufacturers and service stations associated with the manufacturers were also relatively large (33.3%, 22.3%).

**Table 6** shows the method of negotiations. Negotiations by telephone were the majority in both projects, whereas negotiations by mail were relatively few.

**Table 7** shows the results of direct negotiation. The number of cases where the consumers claims were not accepted at all was indeed numerous (37.7% in **A**, 28.6% in **B**), but considering that the cases in the data were those finally brought into the Center, it is also interesting to note that a significant number of cases have already been resolved in favor of the consumer (19.6% in **A**, 13.2% in **B**). This seems to indicate that in many cases, the consumer is fully justified in bringing the complaint in the first place.

TABLE 4. DIRECT NEGOTIATION CONDUCTED BETWEEN PARTIES BEFORE THE CENTER'S MEDIATION

	Project A 207 cases	Project B 903 cases
Direct Negotiation Conducted	66.7%	35.2%
No Direct Negotiation Conducted	33.3	64.6

TABLE 5. PARTIES ACCUSED BY THE CLAIMANTS

	Project A 138 cases (MA)	Project B 318 cases (MA)
Stores	44.9%	47.8%
Sales Person	15.2	5.3
Manufacturers	18.8	33.3
Service Stations Associated with Manufacturers	10.9	22.3
Manufacturers' Branch Offices	10.9	10.1
Others	19.6	16.0

TABLE 6. METHOD OF DIRECT NEGOTIATION

	Project A 138 caes (MA)	Project B 318 cases (MA)
Telephone	60.1%	62.9%
Direct Negotiation Conducted at Seller's Place of Business	34.8	28.3
Direct Negotiation Conducted at Consumer's Residence	14.5	27.4
Mail	3.6	6.3
Others	2.2	2.5

TABLE 7. RESULTS OF DIRECT NEGOTIATION

	Project A 138 cases	Project B 318 cases
Completely Accepted	19.6%	13.2%
Partially Accepted	22.5	14.5
Unaccepted	37.7	28.6
Others	18.8	36.1

### 3 *Settling process in the Center*

#### (1) *Circumstances under which consumers brought their claims into the Center*

Table 8 shows the reason why consumers came immediately to the Center without prior direct negotiations. In A, the primary reason was that "I thought it would be appropriate to consult with the Center first." (60.9%), followed by the second reason that "I didn't know the identity of the real seller in order to negotiate with." (14.5%). In B the former held 28.0% and the latter 33.6%. This seems to show that the Center is known publicly as a consulting institution for consumers.

Table 9 shows whether or not consumers sought advisers for their claiming. Cases where the consumers had no adviser took approximately a half of all cases, and the majority of the advisers were the relatives or acquaintances. To the contrary, consumers seeking

TABLE 8. REASON FOR NOT CONDUCTING PRIOR DIRECT NEGOTIATION

Content of Questionnaire	Project A 69 cases (MA)	Project B 583 cases (MA)
"I thought it would be appropriate to consult with the Center first."	60.9%	28.6%
"I didn't know the identity of the real seller in order to negotiate with."	14.5	33.6
"I thought that the opponent would not accept my claim by direct negotiation."	10.1	16.3
Others	40.5	50.4

assistance from lawyers or actually bringing suit were very few. This seems to indicate the lack of access to justice in consumer complaints and the relative importance of the Center's mediation.

TABLE 9. ADVISERS SOUGHT BY THE CONSUMERS ASIDE FROM THE CENTER'S ASSISTANCE

	Project A 207 cases (MA)	Project B 903 cases (MA)
No Advisers	47.3%	61.0%
Relatives or Acquaintances	30.0	26.1
Lawyers	0.0	0.9
Courts	0.0	0.2
Others	13.1	16.0

TABLE 10. MEDIA THROUGH WHICH THE CONSUMERS BECAME AWARE OF THE CENTER

	Project A 207 cases (MA)	Project B 903 cases (MA)
Mass Communication (Newspaper, Magazine, TV)	58.0%	88.0%
Advisers in Table 9	15.9	3.5
Pamphlets Printed by the Center	12.6	4.4
Publications in Newsletter by Local Governments	10.6	8.7
Others	11.1	7.9

TABLE 11. REASON WHY THE CLAIMANTS SOUGHT THE CENTER'S MEDIATION

Content of Questionnaire	Project A 207 cases (MA)	Project B 903 cases (MA)
"The other party will accept responsibility if the Center supported my position."	42.0%	15.8%
"The Center treats the cases from a consumer's point of view."	—	44.5
"The true facts will be revealed by inquiry by the Center."	—	43.3
"Successive occurrence of injuries will be prevented if the Center publicizes the injury."	—	42.1
"The Center's process is informal and inexpensive."	8.2	15.8
Others	45.9	37.7

**Table 10** shows the media through which the consumers became aware of the Center. The effect of mass communication is significant, followed by publicity by the Center and local governments together with word of mouth publicity.

**Table 11** shows the reason why consumers brought their complaints to the Center. In **A**, most consumers (42.0%) chose the Center, thinking that the opponent would accept the responsibility if the Center support their position. But in **B**, to the contrary, consumers choosing the Center's mediation for this reason were relatively few (15.8%). Moreover, other reasons for using the Center's facility predominated as indicated in the table. Thus, the reason for seeking the Center's mediation seems to indicate consumers' need to know the facts to prevent similar injuries, acting in a manner of a *private attorney general* to correct the wrong.

(2) *Results of the setting process in the Center*

**Table 12** shows the findings of the Center, and **Table 13** shows the percentage of cases where consumer claims were satisfied. In about a half of all cases the Center found that the consumer's claim was right, and these claims were settled on what the claimant sought in relief. In particular, **Table 14** shows the combined result of responses in Table 12 and 13. The percentage of settlement to the claimants' satisfaction was very high in the cases where the Center found that the claim was justified. Considering that the recommendations of the Center are legally not enforceable, these results can be said to indicate the tremendous social influence the Center carries and the respect the Center has as an impartial arbitrator.

**Table 15** shows types of relief given to consumers. In the majority of cases replacement or repair of goods were made, monetary compensations were relatively few.

**Table 16** shows the actual processing time for the claim. In about a half of the whole cases, claims were brought to an end within one month. The Center's mediation process was both quick and effective.

TABLE 12. FINDINGS BY THE CENTER

	Project A 207 cases	Project B 903 cases (MA)
Completely Accepted	50.2%	} 60.0%
Partially Accepted	13.0	
Not Accepted at all	4.8	6.2
Others	12.1	37.7

TABLE 13. CONSUMERS' SATISFACTION WITH THE CENTER'S SETTLEMENT

	Project A 207 cases	Project B 903 cases
Complete Satisfaction	50.2%	45.1%
Partial Satisfaction	17.4	34.8
Dissatisfaction	14.0	14.0
Others	4.3	6.1

TABLE 14. CONSUMERS' SATISFACTION OBTAINED THROUGH THE CENTER'S MEDIATION  
—CROSS REFERENCE OF TABLE 12 AND 13

	Project A 131 cases	Project B 542 cases
Complete Satisfaction	67.9%	61.3%
Partial Satisfaction	21.4	31.2
Dissatisfaction	8.4	5.9
Others	2.3	1.6

TABLE 15. TYPE OF RELIEF OBTAINED

	Project A 207 cases	Project B 903 cases (MA)
Repair	24.6%	13.7%
Replacement	15.9	33.1
Monetary Damages	3.4	4.4
Others	36.7	52.5

TABLE 16. CENTER'S PROCESSING TIME

	Project A 207 cases	Project B 903 cases
less than 1 week	18.4%	15.5%
1 week — 2 weeks	14.5	9.6
2 weeks — 1 month	22.7	22.1
1 month — 3 months	15.0	16.3
3 months — 6 months	7.2	8.5
6 months — 1 year	3.4	5.8
over 1 year	5.3	3.9
Not Terminated	4.3	3.7

(3) *Reputation among consumers*

Table 17 shows the level of consumers' satisfaction toward the Center. Roughly two thirds of the consumers were satisfied with the Center's process.

TABLE 17. CONSUMERS' SATISFACTION WITH THE CENTER

	Project A 207 cases	Project B 903 cases
Completely Satisfied	43.0%	40.6%
Partially Satisfied	29.5	34.6
Dissatisfied	20.8	7.9
Others	5.8	16.9



Table 18 shows the reason for consumers' satisfaction. Consumers were satisfied not only because they were given favorable settlements, but because the Center conducted negotiations with sellers in a fair manner.

Table 19 shows the reason for consumers' dissatisfaction with the Center. Needless to say, complainants who obtained unfavorable terms were dissatisfied (23.3% in A, 26.8% in B). And the lack of legal enforceability of the settlement by the Center seemed to dissatisfy an equivalent number of consumers (23.3% in A, 25.4% in B). The reason claiming unfairness of the Center was relatively few (9.3% in A, 7.0% in B).

Table 20 shows whether or not the consumers will use the Center again. About 90% of the respondents answered affirmatively. Moreover as Table 21 shows, even more than two thirds of the consumers who did not obtain a satisfactory result answered affirmatively. This probably indicates that the Center has fulfilled an important function for consumers.

Table 22 shows the consumers' conception of the Center. Two views seemed to predominate, namely that: 1) the Center functions as a "go between" for the consumers and sellers, and 2) the Center functions on behalf of the consumers. The negative view, that the Center acts on behalf of the sellers was relatively few. However, besides these favorable views, a view that "The Center is limited in its legal ability." can not be overlooked. By the way the percentage of a view that "The Center, on behalf of the consumers, informs the administrative agencies of the complaints." was 24.5% in A, much higher than 3.3% in B.

TABLE 18. REASON FOR CONSUMERS' SATISFACTION WITH THE CENTER'S MEDIATION

Content of Questionnaire	Project A 150 cases (MA)	Project B 679 cases (MA)
"The Center conducted the negotiation fairly."	50.7%	37.8%
"I obtained relief sought."	40.0	38.3
"I felt contented with points other than the relief obtained."	—	23.7
"Improvement of goods was promised."	—	22.7
"The facts of the case were revealed."	—	17.7
Others	20.0	13.2

TABLE 19. REASON FOR CONSUMERS' DISSATISFACTION WITH THE CENTER

Content of Questionnaire	Project A 43 cases (MA)	Project B 71 cases (MA)
"Relief sought was not obtained."	23.3%	26.8%
"The Center could not legally enforce its judgement."	23.3	25.4
"The Center was unfair."	9.3	7.0
"The Center's process took too much time."	—	23.9
Others	55.8	29.6

TABLE 20. PERCENTAGE OF THE CLAIMANTS WHO WILL USE THE CENTER AGAIN

	Project A 207 cases	Project B 903 cases
Yes	88.4%	94.0%
No	8.7	3.5

TABLE 21. PERCENTAGE OF THE CLAIMANTS WHO HAVE RECEIVED DISSATISFIED RELIEF BUT WILL USE THE CENTER AGAIN

	Project A 29 cases	Project B 126 cases
Yes	69.0%	77.0%
No	27.6	19.0

TABLE 22. CONSUMERS' CONCEPTION OF THE CENTER

Content of Questionnaire	Project A 207 cases (MA)	Project B 903 cases
"The Center acts as a mediator between consumers and sellers."	34.8%	32.7%
"The Center acts on behalf of the consumers."	35.7	31.2
"The Center is limited in its legal ability."	24.6	20.4
"The Center, on behalf of the consumers, informs the administrative agencies of complaints."	14.5	3.3
"The Center acts on behalf of the sellers."	—	0.3
Others	9.1	5.8

#### 4. Consumers' conducts after the termination of the Center's intervention

Table 23 shows the complainants' conducts when the Center's intervention did not bring satisfactory results. Consumers who failed to take any action thereafter occupy about

TABLE 23. FURTHER CONDUCTS TAKEN BY CONSUMERS DISCONTENTED WITH THE CENTER'S MEDIATION

	Project A 74 cases (MA)	Project B 440 cases (MA)
No Further Action	47.3%	60.7%
Direct Negotiation	28.4	10.2
Lawsuit	2.7	0.7
Conciliation in Court	0.0	0.7
Consultation with Lawyer	0.0	0.9
Others	28.4	15.3

one half of the entire cases. In another half of the cases, complainants recurred back to direct negotiations with sellers. Consultation with a lawyer, motion for conciliation in court, and bringing suit in court were very rare. For almost all the consumers, the settlement process in the Center was the only accessible means for relief.

**Table 24** shows the reason the consumers failed to take any further action. The primary reason was that the damage sustained was slight (37.1% in A, and 36.3% in B).

TABLE 24. REASON WHY NO ACTION WAS TAKEN BY  
DISCONTENTED CONSUMERS

Content of Questionnaire	Project A 35 cases (MA)	Project B 267 cases (MA)
"The damage was slight."	37.1%	36.3%
"Ignorance of proper method to continue."	17.1	18.7
"Discouraged by time and cost of lawsuit."	17.1	6.0
"Failure to see any reward in continuing action."	—	30.0
"Lack of motivation."	—	21.3
Others	37.2	31.9

### III Conclusion

#### 1 Two problems

The above data indicate that the Center achieves good results in settling consumer complaints. Indeed, consumers are highly satisfied with the settling process regardless of the final outcome of the settlement. Moreover, most of them say that they will come to the Center again when they suffer injuries in the future. It is interesting to note that consumers bring their complaints to the Center not only to obtain individual relief, but also to hear convincing explanations concerning the defects in the goods and the cause of accident from a fair point of view. Consumers also seek to contribute to the relief of others who suffered similar injuries. But, despite the success of the Center, two problems still remain unsolved.

The first problem is that most of consumer complaints are not at all submitted, and that claimed complaints are usually brought against sellers—for example, seller, salesperson, manufacturer—and rarely brought to the Center. Thus the available data only indicate the satisfaction of the consumers who have come to the Center and made response to the questionnaire. It is desirable and should be promoted that more complaints are filed by the consumers.

The second is that most of the claims settled unfavorably for consumers were not pursued any further, and that, in cases where further actions were taken by the complainant beyond the Center's judgment, they were done mainly through direct negotiation. In cases where the damage relief sought is large or where serious injuries occur, administrative settlement may be unfitted. Such claims must be settled in court. But cases here discussed usually

are small damages, and these cases are not fit for judicial process which consumes much cost and time due to formalities and exactness of fact finding. Consequently there is a necessity to provide new settling system for these cases.

## 2 *For the solution of the first problem*

To solve the first problem, namely to encourage the consumers to bring their complaints into the Center, the Center must be readily accessible to the public. Perhaps the most important thing is to make its activities known publicly. One effective way is to publish, in the newspapers, actual cases which the Center has settled. This publicity, which many of the respondents to the questionnaire recommended, will probably increase the awareness of the Center and also help the settlement by direct negotiation. Indeed certain publicity activities are already made through the Center's own circulars, but more publicly circulated media are more useful.

However, in certain cases where the Center's judgment concerning a claim is discovered to be wrong, publication of the judgment may damage the interest of the sellers.<sup>4</sup> Because of this consequence, the Center can not readily publish the actual cases. Consequently, it is necessary that the Center's judgment is recognized as a legitimate legal settlement.

If more complaints were brought to the Center, the Center would have to expand with the volume. There is a necessity to provide for highly technical testing equipment to verify characteristics of consumer goods. This ultimately becomes a matter of money. To solve this problem and to enable the Center to settle more consumer complaints more legitimately, a large public expenditure is necessary. For the solution of this problem, it is crucial whether or not the taxpayers would approve such an expenditure.

## 3 *For the solution of the second problem*

In order to solve the second problem, new procedures for consumer complaints should be proposed, since the present system for settlement of claims is far from being adequate.

### (1) *Suit in court*

As mentioned earlier, in cases claiming small damages, it is inappropriate to take the time and cost of a full judicial review. Recently in Japan, *de lege ferenda*, after the model of United States, "class action" and "small claims court" are proposed eagerly by not a few scholars.<sup>5</sup>

But, for the present, these proposals are neither effective nor practicable. Class action is appropriate for recovering damages where an individual claim is very small but the collective damages sought is a substantial amount. This is not the case with the complaints brought to the Center. Small and individual claims can not be aggregated through class action.

Secondly, small claims court is also unpracticable. Such a court system would require entirely informal proceedings and could only work well with flexible substantive law, such as that of equity in the Anglo-American law. However, in this country such concepts

<sup>4</sup> Cf. Judgment in Tokyo District Court, March 12, 1979, 919 Hanrei-jihō 23.

<sup>5</sup> Akira Mikazuki, A Comparative Study of Judicial Systems, 3 Law in Japan 1, 20-27 (1969); Takeshi Kojima, The Representation of Collective and Public Interests in Civil Litigation, in Access to Justice vol. 1, Book 2 (M. Cappelletti and B. Garth ed., 1978), pp. 735-761; Takao Tanase, Shōgaku-saibansho to Shōhishahogo (Small Claims Court and Consumer Protection), Kokuminseikatsu, vol. 5, Bd. 6-10.

are not a common usage.

Accordingly, settlement of consumer claims must be based on the consent of the adversary parties.

(2) *Conciliation in court*

Conciliation is one form of litigation settlement where parties are mediated by the conciliation board of the court. The settlement is made upon mutual consent of the opposing parties. In this country, conciliation has until now taken a great role in our civil litigations.<sup>6</sup>

But in order to process consumer complaints, this form of court litigation has not been readily available, and is also unlikely to be available in the future. This unavailability is due to the very nature of consumer complaints. Most of consumer claims are indeed very small, but they are not always so simple. In a highly industrialized modern society, consumer claims often arise in relation to the goods or services created by large industries having up-to-date technology and powerful market control. In order to settle technical claims arising from such situations, the ability to collect technical informations and materials is indispensable, because parties can not be persuaded to concede without credible evidence. The present conciliation system in court is not geared with this ability.

(3) *Mediation by administrative agencies*

Mediation by administrative agencies seems to be more suitable for the settlement of consumer complaints than conciliation in court. As the data indicate, consumers view the settling process by administrative agencies as more accessible and flexible as compared to the conciliation in court. The administrative procedure has an advantage that it will provide consumers with useful information and advice, free of charge. Together with the proposition to install well equipped testing facility, the settlement process may become smooth, persuasive, and effective.

Recently, some local governments have established blue ribbon committees in order to process consumer complaints by assisting and mediating. But there is only one committee in each prefecture or city attached to the governor's or mayor's office, and these committees will only accept cases referred by the governor or mayor because of the administrative importance of the case. The purpose of these committees are mainly to achieve administrative objects rather than to relieve individual consumers. The committees are not intended to settle cases where consumers voluntarily bring the complaints seeking their own relief. In fact, the number of cases settled by these committees are very few in most local governments.<sup>7</sup>

Therefore it can be said that these committees are not suitable for settling consumer complaints. Thus, a new system must be established to fill this gap.

(4) *My proposal*

Finally, as a result of the above analysis, I should like to make a proposal, *establishment of mediating boards in the Center* whose number should be enough to deal with many consumer complaints.<sup>8</sup>

<sup>6</sup> Takeyoshi Kawashima, *Dispute Resolution in Contemporary Japan*, Law in Japan, 53-59 (A. von Mehren ed., 1963).

<sup>7</sup> Daini Tokyo Bengoshi-kai Funsō-shori-kan-tō Taisakuinkai (Daini Tokyo Bar Association, Committee Dealing with Dispute Settlement Agencies), *Funsō-shori-kan-tō no Kenkyū* (Study of Dispute Settlement Agencies) (2), 360 Hanrei-taimuzu 50-55 (1978).

<sup>8</sup> In this point this board differs from the above mentioned blue ribbon committee.

This board should consist of more than three members who are members of the Bar or have the knowledge and experience useful in settling consumer complaints. This board should commence its process by filing of a complaint by any party. This board, in its fact finding capacity, should be allowed to inquire technical or commercial information obtained through its own testing or by reference to other institutions. This board should present parties a plan for the settlement of the case, and advise them so as to accept it. Any party could utilize this mediating process free of charge.

This proposal will provide consumers with a more accessible and effective remedy. It is hoped that local governments will utilize this proposal submitted as above in order to solve the increasing consumer protection problems of these days.