

Introduction to Lawyers Cost in Japan and the U.S.



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Legal Counsel or Legal Advocate is not Free of Charge

⌘ Why?

- ☑ Lawyers must earn their money

⌘ How much?

- ☑ Lawyer's Annual Wage \$102,470
(US Dept. of Labor May 2006 Estimation)

⌘ How many Lawyers?

- ☑ 1,143,358 in the U.S. (2007 ABA)

- ☒ 3676 lawyers /100,000 persons

- ☑ 23,154 in Japan

- ☒ 18 lawyers /100,000 persons

Principle of Bearing Cost



⌘ Who bears?

⌘ Both in Japan and in the U.S.,
Each party should bear Counsel Fee

⌘ = American Rule

⌘ Losing Party should bear Winning Party's
Counsel Fee

⌘ = English Rule

Counsel Fee Schedule



⌘ How counsel's fee decided?

⌘ In Japan before 2004 April, local bar association regulate fee schedule

☑ Percentage base Counsel Fee =

☑ $\langle \text{Amount at stake} \rangle \times 10\% \text{ to } 20\%$ (basic multiplier)

☑ $\times 70\% \text{ to } 130\%$ (performance)

⌘ People cannot estimate counsel's fee easily

Counsel Fee Schedule Regulation Abolished



- ⌘ After 2004 April, Each Lawyer can decide Fee Schedule but should announce it to the public. (JFBA Rule 2 and 3)
- ⌘ The Lawyer should make contract with client including fee provision. (JFBA Rule 5.2)
- ⌘ People can find their counsel estimating counsel fee.

Guidance of Fee Schedule



⌘ JFBA (Japanese Federation of Bar Association)
publishes the surveyance of fee schedule
hearing to Lawyers in 2005.

⌘ leaflet for individuals

⌘ leaflet for small business

⌘ report

Contingent Fee



- ⌘ In Japan Contingent fee is not Popular.
- ⌘ Historically: Mistrust toward Lawyer
 - ☒ In the past, Lawyers were called as “Sanbyaku-Daigen”, “Lawyer changes his opinion in three hundred ways.” They did not advocate clients’ interests properly.
- ⌘ Practically: Low Damages Awarded in Tort cas