Title: Roberto Juntilla v. Clemente Fontanar, Fernando Banzon, and Berfol Camoro

Facts: Petitioner Roberto Juntilla was traveling via a public utility jeepney from Danao City to Cebu City when the right rear tire of the vehicle, driven by respondent Berfol Camoro and operating under the franchise of respondent Clemente Fontanar but owned by respondent Fernando Banzon, exploded in Mandaue City. The explosion caused the jeepney to turn over, resulting in Juntilla being ejected and sustaining multiple injuries and the loss of his Omega wristwatch. He sought treatment in Danao City and filed a lawsuit against the respondents for breach of carrier contract and damages in the City Court of Cebu City, Branch I.

The City Court ruled in favor of Juntilla, ordering the respondents to pay damages for the lost wristwatch, unrealized salary, doctor's fees and medicines, attorney's fees, and costs. However, upon appeal by the respondents, the Court of First Instance of Cebu, Branch XIV, reversed this decision, citing that the accident was due to a fortuitous event exempting the carrier from liability. The CFI's findings were based on the premise that the tire blowout, despite the tire being new, constituted unforeseeable and unavoidable circumstances.

Issues:

- 1. Whether the tire blowout constitutes a fortuitous event releasing the carrier from liability.
- 2. Whether the findings of the Court of First Instance of Cebu in reversing the City Court's decision were correct.
- 3. Whether the petitioner was able to prove damages incurred due to the accident.

Court's Decision: The Supreme Court found the petition meritorious, reversing the CFI's decision and reinstating the decision of the City Court with modifications. The SC clarified that a tire blowout does not automatically exempt the carrier from liability unless the blowout was purely accidental and not due to preventable conduct. It was noted that specific negligent acts were present, such as overloading and speeding. The liability arises from the contract of carriage and the obligation of the carrier to ensure the safety of passengers with utmost diligence. Moreover, it was held that common carriers are responsible for the flaws in their equipment, thus dismissing the contention that the new tire's explosion was a fortuitous event. Given these conclusions, the Supreme Court found that the respondents failed to meet their obligation of providing the safety of passengers and thus were liable for damages.

Doctrine:

- 1. The doctrine of extraordinary diligence requires common carriers to carry passengers safely, using utmost diligence as far as human care and foresight can provide, and considering all circumstances.
- 2. A fortuitous event has characteristics that must be proven to exonerate a debtor from liability: it must be independent of human will, unforeseeable or unavoidable, and impossible for the debtor to fulfill their obligation in a normal manner without contributing to the aggravation of the resulting injury.
- 3. The good repute of the manufacturer of a component (such as a tire) does not relieve the common carrier from liability for defects, as carriers are deemed to have the manufacturer as their agent in terms of ensuring safety in construction and maintenance.

Class Notes:

- Common Carriers: Must observe extraordinary diligence under Article 1755 of the Civil Code of the Philippines.
- Fortuitous Event: Must meet the criteria laid out in Lasam v. Smith to exempt a party from liability.
- Contract of Carriage: Involves an obligation to transport passengers safely, considering such cases as Necesito et al. v. Paras et al. where carriers are held liable for appliance defects if not discovered through due diligence.

Historical Background:

Historically, the common law principle has always been that common carriers exercised a certain duty of care to their passengers. In the Philippines, this principle is enshrined in the Civil Code provisions regarding common carriers and their obligations to observe extraordinary diligence. The evolution of this legal framework has been shaped by various decisions, including the case at hand, which emphasizes that even unforeseen vehicular mishaps do not necessarily absolve carriers from liability when negligence is established. The case reiterates the balance between unforeseeable accidents and preventable and foreseeable negligence in the operation of commercial transportation services.