

Title: Paper Industries Corporation of the Philippines (PICOP) vs. Jose Samson, Benjamin Barrera, and The Court of First Instance of Surigao del Sur

Facts:

1. PICOP filed a complaint for injunction and damages on July 16, 1965, in the Court of First Instance of Surigao del Sur against Jose Samson and Benjamin Barrera claiming trespass and unlawful logging on its concessions.
2. The defendants responded by stating they were not the real parties of interest, claiming to be employees of a different licensee, Lope A. Coñate.
3. Despite a motion to dismiss based on the argument of improper venue, the trial proceeded with issues of the injunction debated.
4. On May 6, 1966, PICOP was granted a preliminary injunction.
5. On September 18, 1968, a new presiding judge, Hon. Reynaldo Honrado, granted the dismissal based on improper venue. PICOP's motion for reconsideration was denied.
6. PICOP appealed, claiming the trial court committed grave abuse of discretion in dismissing the case on grounds of improper venue.

Issues:

1. Whether the action filed by PICOP is real or personal for the purposes of determining proper venue.
2. Whether the trial court committed grave abuse of discretion by dismissing the complaint on grounds of improper venue.
3. Whether the defendants waived their right to contest venue.

Court's Decision:

1. The Supreme Court determined the action to be real, not personal since it involved the recovery of rights to land and not a contract between parties.
2. Based on Philippine procedural rules, the appropriate venue for a real action is the province where the land lies, which in this case is the Court of First Instance of Surigao del Sur.
3. The Supreme Court found no grave abuse of discretion since the trial court erred in classifying the action as personal rather than real.
4. The Supreme Court held that the defendants waived their right to contest venue by proceeding to trial without insisting on a ruling on their motion to dismiss based on improper venue.

Doctrine:

The Court reiterates the existing doctrine on venue as established by the Rules of Court and past jurisprudence, that actions involving interests in real property should be commenced in the province where the property lies.

Class Notes:

- Real vs. Personal Actions: Real actions involve property rights and are to be tried where the property is located. Personal actions are based on contractual or personal relations between parties.
- Doctrine of Waiver: An objection to venue can be waived by actions indicating a party's submission to the court's jurisdiction, such as going to trial without a ruling on the motion to dismiss.
- Philippine Rules on Venue for Real Actions: "Actions affecting title to, or for recovery of possession, or for partition or condemnation of, or for foreclosure of mortgage on, real property shall be commenced and tried in the province where the property or any part thereof lies."

Historical Background:

The case reflects the judicial process concerning property rights and the significance of properly determining the nature of the action (real or personal) to decide on the appropriate venue for trial as per Philippine legal procedural norms. It emphasizes the importance of compliance with the rules of venue, a fundamental aspect of civil procedure consistently applied in Philippine jurisprudence.