Title: Greenstar Express, Inc. & Fruto L. Sayson, Jr. vs. Universal Robina Corporation & Nissin Universal Robina Corporation

Facts:

The case involved a vehicular collision on February 25, 2003, involving a bus operated by petitioner Greenstar Express, Inc. and driven by petitioner Fruto L. Sayson, Jr., and a Mitsubishi L-300 van, registered under respondent Universal Robina Corporation (URC) and used by its subsidiary, Nissin Universal Robina Corporation (NURC). The collision took place along Maharlika Highway in Alaminos, Laguna, resulting in the death of the van's driver, Renante Bicomong, NURC's Operations Manager. Petitioners filed a complaint for damages based on negligence against NURC and later impleaded URC. The trial court and subsequently the Court of Appeals (CA) ruled against the petitioners, finding that Bicomong was not performing his duties at the time of the accident and thus, respondents were not liable under Article 2180 of the New Civil Code.

Issues:

- 1. Whether respondents can be held liable for the damages sustained from the collision under Articles 2176 and 2180 of the New Civil Code.
- 2. Whether the defense that Bicomong was not performing his duties at the time of the accident (as it was a holiday) not being pleaded in the answer constitutes a waiver of such defense.
- 3. Whether the finding that Sayson was negligent and had the last clear chance to avoid the collision was correctly adjudicated by the Supreme Court.

Court's Decision:

The Supreme Court denied the petition and affirmed the decisions of the Court of Appeals and the trial court in toto. The Court held:

- 1. **Employer Liability under Article 2180**: The respondents successfully rebutted the presumption of liability as the registered owner and employer. They proved that at the time of the collision, Bicomong was not performing his duties since the day was a holiday, he was using the vehicle for a personal errand, and the van was not officially assigned to him but to another employee.
- 2. **Failure to Plead Defense**: The respondents' failure to plead the defense that Bicomong was not acting within the scope of his employment did not preclude them from proving such defense during the trial. The issue was tried with the implied consent of the parties, thus, conforming to the evidence under Rule 10 of the 1997 Rules of Civil Procedure.
- 3. **Negligence and Last Clear Chance**: The decision further illuminated that Sayson, by

failing to take precautions despite noticing Bicomong's precarious driving, neglected the duty of a common carrier to exercise the highest degree of diligence. The principle of "last clear chance" was applied, holding Sayson responsible for failing to avoid the collision.

Doctrine:

- **Employer Liability under Article 2180**: An employer's liability arising from the acts of an employee is premised on the employee acting within the scope of assigned tasks. Where the employee acts outside this scope, especially for personal purposes, the employer can rebut the presumption of negligence.
- **Last Clear Chance**: In situations where both parties are negligent but one has the final opportunity to evade the accident and fails to do so, that party bears the liability.

Class Notes:

- **Articles 2176 and 2180, New Civil Code**: These articles establish the bases for quasidelict and the responsibility of employers for damages caused by their employees within the scope of their assigned tasks.
- **Doctrine of Last Clear Chance**: This principle applies when the negligent act of one party is appreciably later or when it's impossible to determine whose fault caused the incident. The one who had the last opportunity to avoid harm but did not do so is responsible for the resulting damages.

Historical Background:

The case contextualizes the legal principles governing employer liability and negligence within the Philippine jurisprudence. It underscores the judiciary's role in interpreting these principles based on the circumstances of each case, especially concerning transportation and traffic mishaps. The legal doctrines established in this case are reflective of the evolving understanding of negligence, employer liability, and the duty of care expected from common carriers in the Philippines.