Title:

Kuwait Airways Corporation vs. The Tokio Marine and Fire Insurance Co., Ltd., and Tokio Marine Malayan Insurance Co., Inc.

Facts:

This case involves Kuwait Airways Corporation (KAC), a foreign corporation engaged in air transportation, and respondents Tokio Marine and Fire Insurance Co., Ltd. (TMFICL), based in Tokyo, Japan, and Tokio Marine Malayan Insurance Co., Inc. (TMMICI), a domestic insurance corporation in the Philippines. The core of the dispute is the alleged negligence in the shipment of goods insured by TMFICL, resulting in a claim against KAC for compensatory damages.

The series of events began on January 6, 2003, when O'Grady Air Services (OAS) undertook to transport 10 pallets containing crates of STC disk drives from the UK to the Philippines for Fujitsu Computer Products Corporation of the Philippines (FCPCP). The goods, insured with TMFICL, were shipped via KAC and arrived in the Philippines on January 9, 2003. Upon arrival, damage to one crate and another being dented was noted in a delivery receipt from MIASCOR.

After FCPCP filed a claim on the insurance policy, TMMICI paid FCPCP the insurance benefit based on a survey conducted by Toplis Marine Philippines, Inc., which inferred that the damage might have been caused during the shipment. Subsequently, TMMICI, having compensated FCPCP, sought recovery from KAC by filing a complaint for damages. KAC denied the allegations citing due diligence in handling the goods and contended that respondents were not real parties-in-interest, among other defenses. After the RTC dismissed the complaint and KAC's counterclaim, the CA reversed the RTC's decision, finding KAC presumed negligent under the doctrine of res ipsa loquitur.

Issues:

- 1. Whether the MIASCOR Storage and Delivery Receipt and the Japan Cargo Delivery Receipt are adequate proof of damage to the goods.
- 2. Whether the doctrine of res ipsa loguitur may be applied in this case.
- 3. Whether petitioner's liability, if any, may be limited in accordance with the Warsaw Convention.

Court's Decision:

The Supreme Court ruled in favor of KAC, reinstating the RTC's decision that dismissed the

complaint. It found that the delivery receipts and the inspection conducted were inadequate to prove the occurrence of damage during KAC's custody. The Court determined that the receipts were not authenticated and thus held no evidentiary value. Furthermore, it concluded that the doctrine of res ipsa loquitur was inapplicable since the respondents failed to prove that an accident (damage to the goods) indeed occurred. Therefore, the presumption of negligence could not be ascribed to KAC.

Doctrine:

- 1. The Original Document Rule dictates the necessity of presenting the original documents in court unless exceptions are met.
- 2. The doctrine of res ipsa loquitur applies only if it is proven that an injury or accident occurred under circumstances implying negligence.

Class Notes:

- **Original Document Rule**: Explains the requirement for original documents to be presented in evidence to prove their contents unless a valid exception applies.
- **Res Ipsa Loquitur**: A doctrine applied when an accident's occurrence inherently suggests negligence, but its applicability requires the precondition that the injury or accident has been adequately proven.

Historical Background:

This case illustrates the stringent requirements of evidence in proving claims of negligence, particularly in the transportation and handling of goods. It underscores the importance of authenticating documents and establishing the occurrence of damage before employing doctrines such as res ipsa loquitur. This decision serves to protect carriers from unfounded allegations of negligence based solely on unauthenticated or insufficient evidence.