

Title: B. D. Long Span Builders, Inc. vs. R. S. Ampeloquio Realty Development, Inc.

Facts:

The petitioner, B. D. Long Span Builders, Inc., was contracted by the respondent, R. S. Ampeloquio Realty Development, Inc., to provide construction services for a project in Ternate, Cavite, with a total contract price of P80 million. However, the respondent failed to fulfill its obligations, resulting in the project's cancellation. The petitioner demanded the return of an P800,000 cash bond but was refused. Subsequently, two demand letters were sent by the petitioner's legal counsel, to no avail.

On 24 September 2002, the petitioner filed a complaint for rescission of contract and damages against the respondent. After the respondent failed to file an answer, the trial court declared it in default and awarded the petitioner the rescission of contracts, return of the cash bond with interest, and damages.

The respondent appealed, leading the Court of Appeals to reverse the trial court's decision, citing invalid service of summons due to it being executed through substituted service on a staff member without first attempting personal service.

Issues:

1. Whether the Court of Appeals erred in finding that there was invalid service of summons on the respondent, rendering the trial court's decision void from lack of jurisdiction.

Court's Decision:

The Supreme Court denied the petition, upholding the Court of Appeals' decision. It highlighted that jurisdiction over defendants in a civil case is acquired either through personal service of summons or through voluntary appearance. The Court strictly interpreted the rules on substituted service, finding that the service of summons on a staff member without first attempting personal service did not meet the procedural requirements. Consequently, the trial court's decision was void for lack of jurisdiction over the respondent.

Doctrine:

This case reiterates the doctrine that personal service of summons is the fundamental mode of service to establish jurisdiction over the defendant in civil cases. Substituted service is considered an extraordinary method that can only be used under the conditions strictly laid out by law.

Class Notes:

- **Jurisdiction over Defendants:** Acquired through personal service of summons or voluntary appearance.
- **Personal Service of Summons:** Primary method to notify defendants of legal actions against them.
- **Substituted Service:** Permissible only when personal service is impracticable; strict conditions apply.
- **Key Legal Provisions:**
- **Rule 14, Section 11** of the 1997 Rules of Civil Procedure: Specifies who summons can be served upon in the case of a juridical entity.
- **Rule 14, Section 7:** Articulates conditions under which substituted service may be executed.

Historical Background:

This case underscores the judiciary's strict adherence to procedural due process, particularly in the service of summons. The precise execution of these procedures ensures fairness and upholds the right to due process, affirming the principle that jurisdiction over the parties is paramount to the validity of court proceedings.