

****Title:**** Philippine National Bank vs. Hon. Pres. Judge Benito C. Se, Jr., RTC, Br. 45, Manila; Noah's Ark Sugar Refinery, et al.

****Facts:****

The dispute originates from the Philippine National Bank (PNB)'s claim on sugar stocks covered by five Warehouse Receipts stored in private respondents Noah's Ark Sugar Refinery's warehouse. These sugar stocks became the subject of ownership contention between PNB and Noah's Ark, resulting in a legal battle that traversed from the Regional Trial Court (RTC) of Manila to the Court of Appeals and finally the Supreme Court.

The Warehouse Receipts were issued by Noah's Ark on various dates between March 1, 1989, and April 1, 1989. The goods covered by these receipts were used as loan security by Luis T. Ramos and Cresencia K. Zoleta with PNB. Failure to repay the loans led PNB to demand delivery of the sugar stocks, which Noah's Ark refused, claiming ownership.

PNB subsequently filed a case for Specific Performance with Damages and Application for Writ of Attachment against Noah's Ark and its officers in the RTC. The RTC denied PNB's preliminary attachment, which led to a string of legal maneuvers including an Answer with Counterclaim, Third-Party Complaint, and a Motion for Summary Judgment filed by PNB, which the RTC also denied.

PNB then petitioned for certiorari with the Court of Appeals, leading to a Decision on December 13, 1991, in favor of PNB, instructing the RTC to render a summary judgment. The decision was affirmed by the Supreme Court, which ordered Noah's Ark to deliver the sugar stocks or pay damages.

Noah's Ark filed motions seeking reconsideration and clarification, both denied by the Supreme Court. Subsequently, Noah's Ark, declared as the warehouseman but not the owner, sought to enforce a warehouseman's lien for storage fees before releasing the sugar stocks to PNB. This action was recognized and affirmed by the RTC through resolutions dated December 20, 1994, and March 1, 1995, which the PNB challenged via the present petition.

****Issues:****

1. Whether the warehouseman can enforce his warehouseman's lien and demand payment of storage fees before delivering the sugar stocks as ordered by the court.
2. Whether the respondent RTC judge acted with jurisdiction and propriety in allowing the enforcement of the warehouseman's lien.

3. Whether PNB's right to execute the Supreme Court judgment was violated by the respondent court's decision to hold said execution in abeyance pending satisfaction of the warehouseman's lien.

****Court's Decision:****

The Philippine Supreme Court dismissed PNB's petition, upholding the questioned RTC orders that recognized Noah's Ark's right to enforce a warehouseman's lien for storage fees under Sections 27 and 31 of the Warehouse Receipts Law (R.A. 2137). The Court found no abuse of discretion on the part of the RTC. It emphasized that PNB, as the party seeking to benefit from the Warehouse Receipts, is bound by the terms therein, including the payment of storage fees. The Court clarified that the right to collect storage fees is not precluded by any prior resolution or decision and is inherent to a warehouseman as stipulated by law and the specific provisions in the Warehouse Receipts.

****Doctrine:****

The decision reiterates the principle that a warehouseman's lien for lawful charges for storage and preservation of goods is recognized and can be enforced against the goods or proceeds thereof in the warehouseman's hands as provided under the Warehouse Receipts Law. Furthermore, it establishes that such a lien must be satisfied before the goods can be delivered to the party demanding them, emphasizing the possessory nature of a warehouseman's lien.

****Class Notes:****

- A warehouseman's lien, as per Sections 27 and 31 of R.A. 2137, includes all lawful charges for storage and preservation of goods, among other things.
- A warehouseman has the right to refuse the delivery of goods until the lien is satisfied.
- The principle of estoppel prevents a party from disclaiming liability for certain provisions of a contract while seeking to enforce other beneficial terms.
- Holdings and resolutions of higher courts (e.g., the Supreme Court) guide the disposition of cases in lower courts but do not preclude the adjudication of rights and obligations that were not directly addressed or resolved in the higher court's decision.

****Historical Background:****

This case exemplifies the legal intricacies involved in the enforcement of rights under the Warehouse Receipts Law, especially in scenarios where ownership disputes intersect with contractual obligations such as warehouseman's liens. It highlights the judiciary's pivotal role in balancing the interests of parties in commercial transactions and enforcing contracts

while ensuring that statutory rights are protected.