

****Title:**** Wildvalley Shipping Co., Ltd. vs. Court of Appeals and Philippine President Lines Inc.

****Facts:****

In February 1988, the Philippine Roxas, owned by Philippine President Lines, Inc. (PPL), arrived in Puerto Ordaz, Venezuela, to load iron ore. A pilot from Venezuela, Vasquez, was tasked to navigate the vessel through the Orinoco River. During the voyage, the vessel ran aground, obstructing the navigation channel and preventing Wildvalley Shipping Co. Ltd.'s vessel, Malandrion, from departing Puerto Ordaz. Wildvalley filed a suit against PPL and its insurer, Pioneer Insurance, in the Regional Trial Court of Manila for unearned profits and other expenses amounting to US \$400,000.00. The case progressed to the Court of Appeals which ultimately reversed the lower court's decision in favor of Wildvalley, leading Wildvalley to petition the Supreme Court for review.

****Issues:****

1. Applicability of Venezuelan law in determining liability and damages.
2. Attribution of fault or negligence to the master or owner of the Philippine Roxas for its grounding and the subsequent obstruction in the Orinoco River.
3. The ruling of the Court of Appeals in reversing the lower court's decision and dismissing Wildvalley's complaint.
4. Awarding of attorney's fees and costs by the Court of Appeals.

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

The Supreme Court denied the petition, upholding the Court of Appeals' decision based on the following:

- Venezuelan law was not properly pleaded or proved, thus cannot be applied.
- The liability for navigation within a compulsory pilotage channel lies with the pilot, except if negligence on the part of the ship's master can be proven.
- The absence of Venezuelan law application resulted in the reliance on general maritime practices and Philippine laws.
- The vessel was found to be seaworthy, negating claims of unseaworthiness as a contributing factor to the accident.
- The award of attorney's fees and litigation expenses to PPL by the Court of Appeals was deemed just and equitable due to the unfounded legal action initiated by Wildvalley.

****Doctrine:****

- The doctrine of proper pleading and proof of foreign laws: Foreign laws must be properly

pleaded and proved like any other fact. Without such pleading and proof, the presumption is that foreign laws are the same as Philippine laws (processual presumption).

****Class Notes:****

- ****Foreign Laws in Philippine Courts:**** Must be properly alleged and proved; otherwise, processual presumption applies.
- ****Pilotage:**** The responsibility of a harbor pilot in compulsory pilotage channels and the limitations to the master's liability for the pilot's negligence.
- ****Vessel Seaworthiness:**** Determined by standards and certifications indicating the vessel's fitness for voyage, not necessarily perfection.
- ****Evidence:**** The importance of documentary versus oral evidence in proving foreign laws and regulations.
- ****Attorney's Fees:**** Can be awarded in cases where the court deems it just and equitable, especially in unfounded legal actions.

****Historical Background:****

The case emphasizes the intersection of maritime law, international law, and procedural law in the context of navigating foreign waters under compulsory pilotage. It illustrates the complexities of international maritime operations, where the actions of a vessel in foreign juridical waters can lead to international legal disputes. The decision underscores the importance of adherence to legal requirements in the pleading and proof of foreign laws in the Philippine judicial system, reflecting on the broader challenges faced by international maritime commerce in navigating the varied legal landscapes across global jurisdictions.