

Title: Dangwa Transportation Co., Inc. and Theodore Lardizabal y Malecdan vs. Court of Appeals and Heirs of Pedrito Cudiamat

Facts:

On March 25, 1985, a vehicular accident occurred in Marivic, Sapid, Mankayan, Benguet, resulting in the death of Pedrito Cudiamat, who was run over by a passenger bus owned by Dangwa Transportation Co., Inc. and driven by Theodore M. Lardizabal. Following the accident, the deceased's family filed a complaint for damages against the transportation company and the driver, alleging reckless and imprudent driving, failure to observe traffic rules and regulations, and negligence in not immediately bringing Cudiamat to the hospital. The petitioners countered by asserting adherence to extraordinary diligence in their operation and supervision and contended that the accident was caused by Cudiamat's own negligence.

During the trial, the court decided in favor of the petitioners, attributing negligence to Cudiamat but ordering the petitioners to pay a settlement amount of PHP 10,000 to the heirs for equity's sake. Dissatisfied, the heirs appealed to the Court of Appeals, which reversed the trial court's decision and awarded the heirs a total of PHP 338,000 in damages and legal costs.

The petitioners' motion for reconsideration having been denied by the Court of Appeals, they elevated the matter to the Supreme Court, challenging the appellate court's findings and awards.

Issues:

1. Whether the Court of Appeals erred in reversing the trial court's decision attributing negligence to Cudiamat.
2. Whether the petitioners were guilty of negligence and thus liable for damages claimed by the respondents.

Court's Decision:

The Supreme Court, after a thorough review, affirmed the Court of Appeals' findings and decision, with minor modifications on the award of damages. The Court held that:

- The bus was stationary when Cudiamat attempted to board, negating the premise of negligence on his part.
- The sudden acceleration of the bus while Cudiamat was boarding constituted gross negligence by the driver.

- The driver and conductor's failure to promptly take Cudiamat to the hospital further evidenced their negligence.
- Actual damages awarded by the Court of Appeals were modified to reflect net earnings rather than gross, resulting in a reduced amount of PHP 216,000. However, the death indemnity was raised to PHP 50,000 in line with prevailing jurisprudence.

Doctrine:

The Supreme Court reiterated the doctrine that a common carrier is bound to observe extraordinary diligence in ensuring the safety of its passengers and that liability for damages arises from the presumption of negligence in the event of death or injury to passengers.

Class Notes:

- Common carriers are obligated to exercise extraordinary diligence for passenger safety under all circumstances (Article 1733, Civil Code).
- The presumption of negligence applies to common carriers in case of passenger death or injury, shifting the burden of proof of extraordinary diligence to the carrier (Article 1755, Civil Code).
- Doctrine on passenger onboarding: a person attempting to board a vehicle is considered a passenger entitled to protection once they are on the platform of the vehicle, even if the vehicle is in motion.
- Computation of damages: only net earnings, after deducting necessary expenses for earning the income and living expenses, are compensatable.

Historical Background:

This case underscores the stringent standards imposed on common carriers by Philippine law, reflecting the high duty of care towards passengers. It highlights the balance of justice between attributing personal responsibility and ensuring public safety in transportation services, which is a critical concern in a country where public transportation is a primary means of commute.