

Title:

Mauro Ganzon vs. Court of Appeals and Gelacio E. Tumambing (G.R. No. L-48757)

Facts:

On November 28, 1956, Gelacio Tumambing engaged the services of Mauro Ganzon for the transport of 305 tons of scrap iron from Mariveles, Bataan, to Manila using the lighter "Batman." The loading began on December 1, under the supervision of captain Filomeno Niza. An altercation ensued between Tumambing and Mariveles Mayor Jose Advincula over a demanded P5,000.00, leading to Tumambing being shot and hospitalized. Loading resumed, but on December 4, 1956, Acting Mayor Basilio Rub, with police support, ordered the dumping of the loaded scrap iron. Despite these events, the Court of First Instance ruled in favor of Ganzon, leading to an appeal by Tumambing to the Court of Appeals, which reversed the lower court's decision and held Ganzon liable for damages, a ruling that Ganzon contested before the Supreme Court.

Issues:

1. Did the Court of Appeals err in finding Ganzon guilty of breach of contract?
2. Was Ganzon wrongfully condemned for the actions of his employees following orders from a local government official?
3. Did the Court of Appeals misconstrue the loss of scrap as a fortuitous event, absolving Ganzon of liability?

Court's Decision:

The Supreme Court denied Ganzon's petition, affirming the decision of the Court of Appeals. The Court discussed:

1. **Breach of Contract**: Ganzon was found liable for the breach of contract of carriage as the scrap iron was under his custody, and he failed to prove the loss was due to an exempted cause under Article 1734 of the Civil Code.
2. **Employee Actions and Government Orders**: The argument that the loss was due to an act of public authority was not accepted because Ganzon failed to establish that the acting mayor had the authority to order the dumping of the scrap iron, or that such order was lawful.
3. **Fortuitous Event**: The Court rejected Ganzon's defense of fortuitous event (caso fortuito), finding that the intervention of the municipal officials did not render impossible the carrier's obligation and Ganzon had not proven the exercise of diligence to prevent the

loss.

Doctrine:

The extraordinary responsibility of common carriers lasts from the time goods are unconditionally placed in their possession until delivery. Unless exempt by specific causes outlined in Article 1734 of the Civil Code, common carriers are presumed at fault or negligent for loss or deterioration of goods.

Class Notes:

- ****Article 1736, Civil Code****: Establishes the period of a common carrier's extraordinary liability.
- ****Article 1734, Civil Code****: Enumerates exempted causes for loss, destruction, or deterioration of goods which relieve the carrier from liability.
- ****Caso Fortuito (Force Majeure)****: Defined in Article 1174 of the Civil Code, it does not automatically absolve carriers unless it is proven that such event was unforeseeable or unavoidable and that the carrier exercised due diligence to prevent or minimize the loss.

Historical Background:

This case illustrates the legal complexities surrounding the obligations of common carriers, including how local government interventions and acts of authority impact contractual agreements and liabilities. It further clarifies the high standard of care expected from common carriers in the protection of goods they transport, reinforcing the presumption of negligence or fault in cases of loss or damage unless specific exempting conditions are conclusively proven.