Title: Estrellita M. Bascos vs. Court of Appeals and Rodolfo A. Cipriano: A Legal Examination on the Nature of Contract and Force Majeure in the Context of Common Carriage

Facts:

Rodolfo A. Cipriano, representing Cipriano Trading Enterprise (CIPTRADE), entered into a hauling contract with Jibfair Shipping Agency Corporation to haul soybean meal to Purefoods Corporation's warehouse. Unable to fulfill this obligation on his own, Cipriano subcontracted Estrellita Bascos to transport 400 sacks of soybean meal. Bascos failed to deliver the cargo, leading to Cipriano compensating Jibfair for the loss. Following unsuccessful reimbursement requests to Bascos, Cipriano filed a complaint, invoking a writ of preliminary attachment based on Bascos' alleged intent to defraud creditors. The trial court ruled in favor of Cipriano, a decision affirmed by the Court of Appeals, thereby pushing Bascos to elevate the matter to the Supreme Court under a petition for review on certiorari.

Issues:

- 1. Whether Bascos, as the petitioner, was considered a common carrier in the context of this legal relationship.
- 2. Whether the hijacking of the cargo constituted a force majeure, absolving Bascos of liability.

Court's Decision:

- 1. **Nature of Contract:** The Court upheld the appellate court's decision, recognizing Bascos as a common carrier. Despite Bascos arguing the transaction was a lease of her truck, her operation under the banner of A.M. Bascos Trucking and offering services to transport cargo established her as a common carrier. Article 1732 of the Civil Code, which does not differentiate based on the regularity or clientele of the service, was pivotal in this determination.
- 2. **Force Majeure:** On the matter of hijacking as a force majeure, the Court found Bascos liable for the loss. The assertion of force majeure required proof that the robbery was executed with "grave or irresistible threat, violence, or force," a standard Bascos failed to meet. The evidence provided was deemed insufficient to overcome the presumption of negligence imposed on common carriers. The decision by the lower courts to hold Bascos accountable for the compensation of the lost cargo plus legal costs and attorney's fees was affirmed.

Doctrine:

- 1. **Common Carrier as Per Article 1732 of the Civil Code:** A party engaged in the business of transporting goods or passengers for compensation, offering services to the public, is a common carrier regardless of the scale or regularity of service.
- 2. **Force Majeure in the Context of Common Carriage:** For an event to be considered a force majeure absolving a common carrier from liability, it must be proven that the event, such as hijacking, involved "grave or irresistible threat, violence, or force."

Class Notes:

- **Common Carrier**: Engaged in transport for compensation, serving the public.
- **Force Majeure**: Extraordinary event beyond control, absolving liability if proven under stringent conditions.
- **Proof of Negligence**: On the carrier unless exceptional circumstances, like a force majeure, are convincingly demonstrated.
- **Contract Interpretation**: Defined by law, not just by the terminology used by parties.

Historical Background:

This case elucidates the Supreme Court's interpretation of common carriage in the modern logistic and transport milieu of the Philippines, cutting through the complexities of contractual relationships and transportation law. It underscores the broad definition of a common carrier in Philippine law, and sets a significant precedent on the articulation of force majeure, especially with contemporary challenges like hijacking. This decision not only refines jurisprudential guidelines for transport operators but also stabilizes the expectations for diligence in the carriage of goods, thereby enhancing commercial reliability and legal predictability within the logistics sector.