

Title:

****Mariano vs. Court of Appeals and Sanchez: A Testament to Conjugal Liability and Non-Interference Among Co-Equal Courts****

Facts:

Esther Sanchez sued Lourdes Mariano for the recovery of the value of ladies' dresses allegedly sold and delivered. The Court of First Instance at Caloocan City issued a preliminary attachment upon Esther's request, leading to the seizure of Mariano's property. Mariano's motion to discharge the attachment was denied, but upon elevating the matter to the Court of Appeals, the lower court was directed to receive evidence on the attachment's propriety, eventually dissolving it due to improper issuance.

Upon trial, judgment was in Mariano's favor, ordering Esther to pay amounts covering loss of income, attached goods' value, moral and exemplary damages, attorney's fees, and costs. Veritas Insurance, which issued the attachment bond, was ordered to cover part of these liabilities. Esther's attempt to appeal was overtaken by Mariano's successful motion for immediate execution, leading to the garnishment and levy on Esther's conjugal assets with Daniel Sanchez.

Upon Esther's unsuccessful attempt to nullify the execution in the Court of Appeals, Daniel Sanchez, as the conjugal partnership's administrator, filed a complaint in the Quezon City Court seeking annulment of the execution against their conjugal assets. Mariano's subsequent certiorari action to the Court of Appeals initially saw progress but eventually failed as the appellate court recognized the legitimacy of Daniel's separate action. Mariano then appealed to the Supreme Court.

Issues:

1. Whether the conjugal assets of Daniel and Esther Sanchez can be held liable for Esther's judgment obligations from a joint business benefiting the family.
2. Whether the Quezon City Court of First Instance interfered with the Caloocan Court's execution process.
3. The procedural correctness of the Appellate Court's Eighth Division's handling of Mariano's case initially raffled to the Seventh Division.

Court's Decision:

The Supreme Court reversed the Court of Appeals' decision, establishing that:

1. Conjugal assets can be held liable for obligations incurred by a spouse if the business

conducted benefited the family, as Esther's business did with Daniel's consent.

2. There was interference by the Quezon City Court with the execution process of the Caloocan Court, which contravenes the practice of non-interference among courts of concurrent jurisdiction.

3. The appeal's procedural aspect concerning the division's handling within the Court of Appeals was dismissed as unfounded.

Doctrine:

- The non-interference principle among co-equal courts, emphasizing that one court cannot enjoin the execution of judgments from another court of coordinate jurisdiction.
- Liability of conjugal assets for one spouse's obligations that benefit the conjugal partnership.

Class Notes:

- **Conjugal Liability**: Conjugal assets may be held liable for the obligations of one spouse if said obligations benefit the family (Art. 161, Civil Code).
- **Non-interference Among Co-Equal Courts**: Courts of First Instance (now Regional Trial Courts) have no power to enjoin the execution of judgments or decrees from another court of concurrent jurisdiction.
- **Procedural Mismanagement**: Appeals or special civil actions must follow proper procedural pathways and divisional assignments within appellate courts, respecting internal rules and assignments.

Historical Background:

This case underscores the dynamic interplay between individual business ventures by spouses within the ambit of conjugal partnerships and the intricacies of execution processes across Philippine jurisprudence. It illustrates the boundaries of liability and protection of conjugal assets and reaffirms the principle of non-interference among courts, ensuring judicial integrity and independence.