

****Title:** Caravan Travel and Tours International, Inc. v. Abejar******

****Facts:****

On July 13, 2000, Jesmariane R. Reyes was struck by a Mitsubishi L-300 van driven by Jimmy Bautista who swerved to avoid an incoming vehicle, causing the van to hit Reyes. A witness, Alex Espinosa, instructed Bautista to take Reyes to the hospital; however, Bautista left her in the van in a nearby subdivision where an unidentified civilian later assisted in taking her to the hospital. Reyes died two days later despite medical attention. The van involved was registered to Caravan Travel and Tours International, Inc., where Bautista was employed as a service driver.

Reyes' aunt, Ermilinda R. Abejar, who raised Reyes since childhood, filed a complaint for damages against Bautista and Caravan at the Regional Trial Court (RTC) of Parañaque City. When summons could not be served to Bautista, the RTC granted Abejar's motion to drop him as a defendant.

After the trial, the RTC found Bautista negligent and held Caravan and Bautista jointly and severally liable, awarding damages to Abejar. Caravan's subsequent motion for reconsideration was denied.

Caravan appealed to the Court of Appeals (CA), which affirmed the RTC decision but modified the amounts awarded. Caravan's further motion for reconsideration was denied, leading to its petition to the Supreme Court.

****Issues:****

1. Whether Abejar is a real party in interest who may bring an action for damages against Caravan.
2. Whether Caravan should be held liable as an employer under Article 2180 of the Civil Code.

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

1. ****Real Party in Interest****:

- The Supreme Court upheld that Abejar is a real party in interest. She exercised substitute parental authority over Reyes and thus had a genuine personal interest arising from the damage caused by Reyes' death. Under Rule 3, Section 2 of the 1997 Rules of Civil Procedure and Articles 216 and 233 of the Family Code, Abejar's role as a substitute parent gave her standing to sue for damages resulting from Reyes' death.

2. ****Employer's Liability****:

- The Court ruled that Caravan, as the registered owner of the van, is liable under the principles established in Articles 2176 and 2180 of the Civil Code. The presumption of employer liability under the registered-owner rule and the failure of Caravan to prove due diligence in hiring and supervision of Bautista supported this liability.
- The registered-owner rule intertwines with Article 2180, creating a disputable presumption of liability when the plaintiff shows the defendant is the registered owner. The burden shifted to Caravan to disprove liability under Article 2180, which Caravan failed to do. Their reliance on Bautista's submission of a non-professional driver's license and lack of rigorous oversight and compliance documentation was inadequate to demonstrate diligence as required by law.

****Doctrine:****

The case reiterated several key doctrines:

1. ****Registered-Owner Rule****: This rule places primary liability on the registered owner of a vehicle involved in an accident, superseding some aspects of employer liability doctrine (Articles 2176 and 2180 of the Civil Code).
2. ****Disputable Presumption****: Upon proving registered ownership, there is a presumption that the conditions for employer liability under Article 2180 are met unless the employer can show otherwise.
3. ****Real Party in Interest****: Individuals who exercise substitute parental authority can be real parties in interest capable of filing a suit for damages under Rule 3, Section 2 of the 1997 Rules of Civil Procedure and relevant Family Code articles.

****Class Notes:****

- ****Key Concepts****: Real party in interest, substitute parental authority, registered-owner rule, employer liability under Article 2180, disputable presumption.
- ****Statutory Provisions****:
 - Civil Code, Article 2176 (Quasi-delict)
 - Civil Code, Article 2180 (Employer's liability for employee's torts)
 - 1997 Rules of Civil Procedure, Rule 3, Section 2 (Definition of real party in interest)
 - Family Code, Articles 216 and 233 (Substitute parental authority)
- ****Application****: This case clarifies the interplay between the registered-owner rule and the employer's liability, establishing a burden shift to the defendant to disprove presumptions when they are the registered owner of the vehicle involved in the quasi-delict.

****Historical Background:****

The case builds on a series of precedents including **Aguilar, Sr. v. Commercial Savings*

Bank* and extends the principles established in *Erezo v. Jepte* regarding vehicle registration and owner liability. It consolidates how quasi-delict liability under Civil Law has adapted to vehicular negligence, ensuring victims can attribute liability effectively. It also clarifies procedural rules regarding who may stand as a real party in interest, aligning procedural norms with substantive justice principles.