

Title: B. H. Macke, et al. vs. Jose Camps

Facts:

- Parties:** Plaintiffs B. H. Macke and W. H. Chandler, partners doing business as Macke, Chandler & Company, sold goods worth P351.50 to Jose Camps, the defendant.
- Transactions:** The goods were allegedly delivered to the "Washington Cafe" on orders by Ricardo Flores, who represented himself as Camps' agent.
- Deliveries and Payments:** Flores acknowledged receipt and made payments totaling P174. Plaintiffs sought payment for the remaining balance of P177.50.
- Plaintiffs' Demands:** Macke made repeated demands for the outstanding amount, but Flores deferred payment, claiming a lack of funds and awaiting Camps' return from the provinces.
- Agency Evidence:** Plaintiffs presented a contract dated May 25, 1904, showing Camps renting the Washington Cafe building, signed by both Camps and Flores (as a witness and "managing agent").
- Witness Testimony:** Galmes, the former owner, could not specify Flores's exact role but confirmed the existence of the contractual agreement.
- Defendant's Actions:** Camps neither testified nor called witnesses, only arguing the insufficiency of evidence proving he received the goods.

Procedural Posture:

- Trial Court:** The trial court ruled in favor of Plaintiffs, validating the claim based on the evidence presented, including witness testimonies and the contractual agreement.
- Appeal:** Camps appealed to the Supreme Court, seeking to overturn the ruling due to alleged insufficient proof of receipt.

Issues:

- Did Ricardo Flores have the authority to act as Camps' agent in business transactions for the Washington Cafe?**
- Was the evidence presented by the plaintiffs sufficient to establish the defendant's liability for the goods delivered and unpaid?**

Court's Decision:

- Authority of Flores:** The Supreme Court found that sufficient evidence supported the

claim that Flores acted as Camps' authorized agent. The contractual proof and the conduct of business under Flores as "managing agent" precluded denying his agency role.

- **Principle of Apparent Authority:** The Court upheld that a principal who presents someone as their agent to the public, and on which others act in good faith, cannot later deny such agency.

- **Legal Doctrine:** This supports the legal doctrine from subsec. 1, sec. 333, Act No. 190: a party cannot deny a situation they intentionally induced another to believe.

2. **Proof of Goods Delivery and Liability:**

- The court ruled that Flores's acknowledgment of receipt and partial payments were binding on Camps.

- **Reasonableness of Purchases:** Given the nature of the business and the absence of evidence to the contrary, the court presumed Flores's authority to procure supplies, thus affirming Camps' liability.

Doctrine:

- **Apparent Authority Doctrine:** A principal cannot refute an agent's authority when they've represented the agent as such.

- **Legal Presumption:** Authority of a managing agent includes necessary actions to fulfill their role unless proven otherwise.

Class Notes:

- **Key Legal Concepts:**

- Apparent Authority

- Agency by Estoppel (subsec. 1, sec. 333, Act No. 190)

- Burden of Proof in Agency Disputes

- **Central Statutory Provisions:**

- **Subsec. 1, Sec. 333, Act No. 190:** Declarations, acts, or omissions leading another to believe a fact true cannot be falsified in related litigation.

- **Application:**

- **Apparent Authority:** Holds when one leads another to believe in the agency role through declarations and actions.

- **Presumed Authority:** Defaults in favor of usual and necessary means for task fulfillment by an agent in absence of counter-evidence.

****Historical Background:****

- ****Early 20th Century Business Practices:**** The case reflects early 1900s commercial and legal practices regarding business transactions and the legal understanding of agency in the Philippine context under American governance.
- ****Legal Framework:**** The decision reaffirms the importance of contractual integrity and agency law during a period of evolving commercial laws in the Philippines.