

Title:

Alejandro v. Court of Appeals, Madulid et al. 269 Phil. 736 (1988)

Facts:

1. **March 3, 1975:** Private respondents Jose Madulid, Sr. and Efren Madulid, operating under "Grace Park Poultry Supply and Hi-Grade Feeds," offered to supply custom-formulated hog feeds to petitioner Alejandro for his piggery in Cabiao, Nueva Ecija.
2. **1976 Issues:** Alejandro encountered problems with his hogs which were diagnosed as nutritional deficiencies attributed to the hog feeds supplied by Madulid.
3. **August 27, 1976:** Alejandro received laboratory reports from the Bureau of Animal Industry (BAI) indicating the presence of unauthorized ingredients and adulterants, leading him to refuse payment of certain deliveries amounting to P40,815.60.
4. **October 4, 1976:** Jose Madulid, Sr. filed Civil Case No. C-5071 to collect the unpaid balance, 12% interest per annum, and attorney's fees.
5. **Improper Venue:** Alejandro filed a damage suit against Madulid in Nueva Ecija (Civil Case No. 972), which was dismissed on April 15, 1978 due to improper venue.
6. **April 12, 1977:** Respondents filed Civil Case No. C-6263 claiming moral damages for the baseless and malicious suits filed by Alejandro.
7. **January 16, 1978 & Further Actions:** Alejandro filed an administrative complaint with the BAI, which was dismissed by the BAI and subsequent motions for reconsideration were also denied.
8. **November 14, 1985:** The lower court ruled in favor of Alejandro, dismissing the complaints and awarding actual and moral damages to Alejandro.
9. **Appeal:** Madulid et al. appealed the decision to the Court of Appeals (CA-G.R. CV Nos. 10016-10017), which reversed the lower court's decision on February 22, 1988.
10. **Petition with Supreme Court:** Alejandro petitioned the Supreme Court to review the appellate court's decision.

Issues:

1. **Due Process:** Whether the administrative decision by the BAI was patently void due to

alleged lack of hearing and violation of petitioner's right to present evidence.

2. **Adulteration Claim:** Whether the presence of unauthorized ingredients and the absence of major ingredients in the provided hog feeds constituted sufficient evidence of adulteration.

3. **Evaluation of Evidence:** Whether the Court of Appeals erred in not making its own independent evaluation of the evidence.

4. **Counterclaims and Interest:** Whether the CA erred in dismissing Alejandro's counterclaims and imposing the obligation to pay interest on the unpaid balance.

Court's Decision:

1. **Due Process:** The Supreme Court upheld the decision of the BAI, affirming that the petitioner had multiple opportunities (two motions for reconsideration and an appeal) to present additional evidence which he did not utilize. Hence, the due process was not violated.

2. **Adulteration Claim:** The Court agreed with the findings of the BAI, determining that the presence of certain ingredients did not violate BAI standards. Additionally, testimonies of Alejandro's veterinarians, who lacked proficiency in chemical analysis, did not outweigh the technical findings of the BAI.

3. **Evaluation of Evidence:** The Supreme Court emphasized that administrative bodies with specific expertise (like the BAI) are granted respect and their factual findings are generally given finality unless there is clear evidence of grave abuse of discretion. The appellate court was correct in relying on the BAI's expertise.

4. **Counterclaims and Interest:** The Supreme Court affirmed the appellate court's decision to set aside the awarded damages to Alejandro and ordered him to pay the unpaid balance with interest, validating the original obligation.

Doctrine:

- The findings of fact by specialized administrative agencies are respected and given finality if supported by substantial evidence.
- Due process in administrative proceedings includes opportunities for reconsideration and appeals; it does not necessitate traditional court trial procedures.

Class Notes:

- **Due Process in Administrative Law:** In administrative hearings, due process requirements are met if the party has had reasonable opportunity to present their case. This can be through written submissions.
- **Deference to Administrative Bodies:** Courts often defer to the findings of specialized administrative bodies regarding technical matters, unless there's evidence of gross abuse of discretion.
- **Elements of Adulteration in Animal Feeds:** Adulteration can include the presence of unauthorized ingredients detrimental, inert, or without feed value. Refer to BAI's Administrative Order No. 35.

Historical Background:

This case occurred in the late 1970s and early 1980s when government oversight of agricultural products, particularly animal feeds, was becoming more stringent under the Bureau of Animal Industry in the Philippines. The case reflects the judicial tendency to defer to specialized administrative agencies capable of handling technical matters, especially amid increasing regulatory complexity.