

Title:

Virgilio P. Cezar vs. Hon. Helen Ricafort-Bautista and Specified Materials Corporation

Facts:

1. **Initial Transaction**: Specified Materials Corporation (plaintiff) provided construction materials to Virgilio P. Cezar's business, Virocell Construction and Supply, under a credit arrangement with payments due 30 days post-delivery, incurring a 3% monthly interest on late payments.
2. **Non-Payment**: Petitioner Cezar failed to pay for materials totaling P2,005,000.00.
3. **Demand Letters**: Specified Materials Corporation sent two demand letters. Cezar replied with three letters, agreeing to settle accounts and requesting verification and inventory of deliveries and payments.
4. **Reconciliation Meeting**: A meeting on 3 September 1996 aimed at reconciling records did not resolve the issue as Cezar, after admitting to an oversight of P648,750.00 worth of materials, did not appear for subsequent meetings.
5. **Filing of Complaint**: A collection lawsuit, Civil Case No. 96-0473, was filed. Summons were issued and, according to Sheriff's Return, served to an employee at Cezar's place of business.
6. **Default Judgment**: Due to Cezar's non-response, he was declared in default and a default judgment imposed by RTC Judge Helen Ricafort-Bautista on 9 September 1997 for P2,005,000.00 plus 3% monthly penalty and P401,000.00 attorney's fees.
7. **Amended Complaint Issue**: The complaint amount was amended to correct an error without Cezar's opposition.
8. **Motion to Set Aside Decision**: Cezar filed a motion claiming a lack of jurisdiction due to improper service of summons, which was denied.
9. **Court of Appeals Petition**: Cezar's appeal was dismissed for procedural deficiencies.
10. **Supreme Court Petition**: Subsequent Supreme Court (SC) petition was similarly dismissed, and execution of judgment was eventually granted on 18 December 1998.

Issues:

1. **Proper Service of Summons**: Whether the substituted service of summons on Cezar was valid, thereby granting the trial court jurisdiction.
2. **Voluntary Appearance**: Whether Cezar's actions constituted voluntary appearance, thus waiving his right to contest jurisdictional defects.

Court's Decision:

1. **Service of Summons**: The Supreme Court identified a defect in the substituted service

as Sheriff's Return lacked a statement about the impossibility of personal service. However, the court emphasized adherence to strict guidelines for substituted services.

2. **Voluntary Appearance**: Despite the defective substituted service, the Court determined that Cezar's subsequent actions, such as filing motions and engaging in proceedings, constituted a voluntary appearance, thereby curing the jurisdictional defect.

3. **Final Ruling**: The Supreme Court dismissed Cezar's petition, affirmed the trial court's decision, and confirmed the initial judgment, citing lack of merit in his procedural claims.

Doctrine:

- **Service of Summons**: Jurisdiction over a defendant requires either proper service of summons or voluntary appearance in court proceedings.
- **Voluntary Appearance**: Engaging in court procedures without expressly challenging jurisdiction can constitute a waiver of defects in service, leading to voluntary submission to the court's authority.

Class Notes:

1. **Service of Summons**:

- **General Rule**: Personal service as a primary method.
- **Substituted Service**: Only when personal service is not feasible; requires justification in return.
- **Rule**: Rule 14, Sections 6 and 7 of the 1997 Rules of Civil Procedure.

2. **Voluntary Appearance**:

- **Legal Effect**: Participation without jurisdictional objection waives service objections.
- **Precedent**: "Flores v. Zurbito" and "Santiago Syjuco v. Castro" rulings support this principle.

Historical Background:

- **Context**: This case underscores strict compliance required for service of summons under the Philippine legal system. The Supreme Court's approach reflects balance between procedural rigor and practical considerations of jurisdiction through voluntary appearance. The historical precedence ensures judicial efficiency while upholding due process norms.