

CALIFORNIA LINES INC., PLAINTIFF AND APPELLANT, VS. AMPARO DE LOS SANTOS, ET AL., DEFENDANTS AND APPELLEES.*G.R. No. L-13254. December 30, 1961*

Ponente: DIZON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/85430dd5096e/>**DIZON, J.:**

In Civil Case No. 27906 of the Court of First Instance of Manila (Branch XVII), Josephine W. Regalado sought to recover from the therein defendants, California Lines, Inc., a domestic corporation engaged in the business of operating passenger buses, and/or the Ricalinda Bus, damages and attorney's fees in the total sum of P28,000.00. The damages were claimed to have been the result of physical injuries sustained by her while on board a passenger bus of the California Lines, Inc. which collided with another belonging to the other defendant.

In its answer to the complaint the California Lines, Inc. interposed a cross-claim, against its co-defendant, Ricalinda Bus, imputing the cause of the accident to the negligence of the latter's driver, Celedonio N. Morta, and praying that said defendant be required to reimburse cross-claimant whatever damages the latter may be sentenced to pay the plaintiff. Answering the cross-claim, defendant Ricalinda Bus alleged, in effect, that the accident was due to the negligence of the driver of the California Lines, Inc., and prayed that the cross-claim be dismissed, with costs. Subsequently, upon finding that the Ricalinda Bus had no juridical personality because it was a mere trade name, the California Lines, Inc. filed a third-party complaint against the owner of the other bus in the accident, Amparo de los Santos, together with her husband, Victor de los Santos, and her driver, Celedonio N. Morta, in order to hold them liable for any amount which plaintiff Josephine W. Regalado may be entitled to collect upon her complaint. After service of summons on them the third-party defendants filed their answer to the third-party complaint denying its allegations, and prayed for its dismissal and for judgment sentencing the third-party plaintiff to pay damages and attorney's fees in the total sum of P7,000.00, plus costs.

After the hearing of Civil Case No. 27906 had started, plaintiff Josephine W. Regalado and the third-party defendants entered into an amicable settlement, for which reason the trial court issued the following order of dismissal on December 11, 1956:

"Upon petition of Atty. Aurelio Quitoriano, counsel for the plaintiff, based on the ground that the latter's claim against the defendants has already been settled, as evidenced by a written agreement attached to said petition, the Court hereby orders that this case (*Italics supplied*) be dismissed without pronouncement as to costs."

On January 14, 1957, the California Lines, Inc., as defendants and third-party plaintiff, filed a motion for the amendment of the above order so as to make the dismissal without prejudice insofar as its third-party complaint was concerned. Ruling upon this motion, on February 2 of the same year, the court issued the following order:

"As prayed for by defendant California Lines, Inc. the order of this Court of December 11, 1956, is hereby amended in the sense that the dismissal of this case (*Italics supplied*) shall be without prejudice to the third-party complaint filed by said defendant against the third-party defendants, Amparo de los Santos, et al."

On April 10, 1957, the California Lines, Inc. commenced Civil Case No. 32298 against Amparo de los Santos, Victor de los Santos and Celedonio N. Morta (the same third-party defendants in Civil Case No. 27906) in the Court of First Instance of Manila, Branch 1, to recover damages suffered by it as a result of the collision mentioned here-tofore. The pertinent allegations of its complaint regard-ing these damages are as follows:

"VIII. That as a result of the Ricalinda Bus hitting and striking plaintiff's passenger bus mentioned in paragraph IV hereof, the latter bus was damaged and was brought to N. C. Mercado for repairs, the amount of the damage and value of the repairs being P1,700.00, more or less.

"VIII. That because of the damage to said plaintiff's passenger bus and because of the needed repairs, the said bus was laid up and was not and could not be operated by plaintiff in its regular and ordinary business from August 29, 1955 to October 8, 1955 when the needed repairs on the said bus were finished and completed, as a result of which plaintiff suffered damages, the amount of damages being P35.00 a day, more or less, from August 29, 1955 to October 8, 1955, or a total of P1,435.00, the said sum of P35.00 being the average daily net earning and profit in the operation of said passenger bus by plaintiff.

"IX. That as a result of the gross negligence of defendants in the maintenance, supervision and operation of said Ricalinda Bus, the plaintiff is entitled to collect exemplary or corrective damages from defendants."

In their answer filed on May 2, 1957, defendants alleged that the damages, if at all, caused to plaintiff's bus were due to the recklessness and lack of prudence and precau-tion of its own driver, and filed a counterclaim therein for moral damages in the sum of P10,000.00, for exem-plary or corrective damages in the sum of P5,000.00, for loss of business goodwill of the Ricalinda Bus in the sum of P10,000.00 and for attorney's fees in the sum of P5,000.00. Five days thereafter, defendants filed a motion to dismiss the complaint on the ground that there was another action pending between the same parties for the same cause, alleging that the third-party complaint filed by the California Lines, Inc. in Civil Case No. 27906 was still pending adjudication in Branch XVII of the Court of First Instance of Manila, and that the parties and cause of action therein involved are the same as those in Civil Case No. 32298. In spite of the opposition filed by the California Lines, Inc. upon the following grounds: (1) that defendants' motion to dismiss was filed out of time; (2) that the order of the Court of December 26, 1956, as amended by its order of February 2, 1957, terminated Civil Case No. 27906 including the third-party complaint filed therein, without prejudice to the rights of the therein third-party plaintiff against the third-party defendants;' and (3) that the cause and relief prayed for in Civil Case No. 27906 were not the same as those involved in Civil Case No. 32298, the lower court, in its order of July 17, 1957, granted the motion to dismiss the complaint, upon the ground relied upon in support thereof.

On August 12, 1957 California Lines, Inc. filed a motion in Civil Case No. 27906 for the clarification of the order of dismissal dated February 2, 1957 mentioned above, but the same was denied by the court on the ground that said order was already sufficiently clear. Upon denial of the motion for reconsideration filed by the California Lines, Inc. on August 22, 1957, said party took the present appeal, claiming that the lower court ;committed the following errors:

"I. The lower court erred in not finding¹ that the third-party complaint in Civil Case No. 27906 is no longer pending adjudica-tion as the same has been dismissed on December 11, 1956, which order of dismissal was: supplemented or amended on February 2, 1957, by the presiding judge of Branch XVIII of the Court of First Instance of Manila to which. the said case pertains.

"II. The lower court erred in not proceeding with the hearing on the merits of the present case inasmuch as the other case, Civil Case No. 27906, has already been dismissed and is no longer pending hearing.

"III. The lower court erred in finding that Civil Case No. 27906 and the present case, Civil Case No. 32298, have the same or similar causes of action and thereby dismissing the said Civil Case No. 32298.

"IV. The lower court erred in considering defendants' motion to dismiss although it was filed out of time.

"V. The lower court erred in dismissing the complaint.

"VI. The lower court erred in denying plaintiff's motion for re-consideration."

The order of dismissal appealed from must be reversed for the reason that Civil Case No. 27906 already referred to was definitely terminated in its entirety by the order of dismissal dated December 11, 1956, as amended by the other issued on February 2 of the following year. It will be observed that the former provided for the dismissal of "this case"—meaning all the claims, counterclaims, cross-claims and third-party complaint involved in the case—and this was reiterated in the order of February 2, which merely made the dismissal of the third-party complaint without prejudice.

That the whole case was deemed terminated is also clearly inferable from the fact that on August 20, 1957, counsel for the third-party plaintiff in said case, after unsuccessfully seeking a clarification of the original order of dismissal, filed a motion to set his third-party complaint for trial, but the court denied the motion (Rec. on Appeal, pp. 92-94).

Moreover, the third-party complaint already referred to was, in reality, a cross-claim because it sought to obtain judgment ordering Amparo de los Santos principally, as owner of the Ricalinda Bus vehicle that collided with the one owned by the California Lines, Inc., to pay to the latter whatever damages it may be sentenced to pay its passenger Josephine W. Regalado. As stated herein-before, when the California Lines, Inc. discovered that the Ricalinda Bus was a mere trade name and had no juri-dical personality, it obtained leave of court to file and actually filed a third-party complaint against Amparo de los Santos, her husband and their driver. These third-party defendants settled the claim of Regalado for dam-ages, thus leaving nothing in this respect to the Califor-nia Lines, Inc. to recover from them. But whether it was properly a cross-claim or a third-party complaint is of little moment in the decision of this appeal. The fact is that the claim asserted therein was for reimbursement of whatever damages the California Lines, Inc. might be sentenced to pay its passenger, as just stated, and it is obvious that said claim is entirely different from, and does not cover nor is it covered by the claim subject matter of Civil Case No. 32298, namely, recovery of the damages suffered by the California Lines, Inc. as alleged in paragraph VII to IX of its complaint (Supra). It is obvious, therefore, that the lower court erred in dismiss-ing the latter case on the ground that there was already another action pending between the same parties upon the same or similar causes of action.

Wherefore, the order of dismissal appealed from is reversed and set aside, and this case is remanded to the lower court for further proceedings in accordance with law. With costs.

Bautista Angelo, Labrador, Concepción, Reyes, J.B.L., Barrera, Paredes, and De Leon, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.