

FIREMAN'S FUND INSURANCE COMPANY, PLAINTIFF AND APPELLANT, VS. MANILA PORT SERVICE, ET AL., DEFENDANTS AND APPELLEES.*G.R. No. L-22454. April 29, 1966*

Ponente: REYES, J.B.L., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c9cc0cf57669/>**REYES, J.B.L., J.:**

Direct appeal on a question of law from the decision, in Civil Case No. 50847, of the Court of First Instance of Manila dismissing appellant's action to recover from the defendant, Manila Port Service, the sum of P6,374.42. The amount represents the value of merchandise landed from the vessel "SS Pioneer Ming" in the port of Manila and received by the Manila Port Service, as arrastre operator; the goods were consigned to Getz Bros & Company and insured by the plaintiff-appellant, Fireman's Fund Insurance Company. In the course of the pendency of the case in the court a quo, the claim was reduced to P1,500.00, value of non-delivered goods.

The aforesaid vessel arrived at Manila on 4 July 1961, and the consigned merchandise was discharged on 7 July 1961 and received by the Manila Port Service on July 1961 in good order. One day before the goods were discharged, the broker of the consignee filed a provisional claim, bearing date of 3 July 1961, with the defendant arrastre-operator covering the entire consignment of 15 cases of nylon piece goods. Within fifteen (15) days from the said discharge of the last package from the carrying vessel, the defendant, upon demand, delivered 12 of the 15 cases to the consignee; and also within the said fifteen day period, that is, on 20 July 1961, the consignee's broker requested for a bad order examination. Defendant's bad order inspector certified that the three (3) remaining cartons were empty of contents. Formal claim was filed upon the defendant on 15 August 1961.

The insurer of the shipment, herein plaintiff-appellant, upon demand made by the consignee, paid the value of the lost cargo and thus became subrogated into the rights of the consignee. The defendant-appellee, Manila Port Service, however, refused to pay the insurer; hence, the latter instituted suit against the former.

The defendant-appellee refused payment for the lost goods on the ground that no formal claim was filed with it within fifteen (15) days from the discharge of the last package from the carrier, as provided for in section 15 of the arrastre management contract between it and the Bureau of Customs.

The lower court sustained the stand of the arrastre-operator, and observed that the provisional claim, filed one (1) day before the goods were landed, was not the claim contemplated in the contract, and that its allowance would swamp the arrastre service with advance claims of brokers for all goods consigned to their customers. Thus, the case was dismissed. Not satisfied with the decision, the defeated plaintiff appealed to this Court.

The lower court correctly ruled that the provisional claim, which was filed before the discharge of the last package from the carrying vessel, was not a compliance of the required condition for filing claims. In the case of *Shell Company of the Philippines, Ltd. vs. Compania General de Tabacos de Filipinas*, L-20230, promulgated on 30 July 1965, this Court held that a provisional claim filed before the goods were landed did not comply with section 15 of the arrastre contract, the claim being premature and speculative.

However, the trial court has overlooked the significance of the request for, and the result of, the bad order examination, which were filed and done within fifteen days from the haulage of the goods from the vessel. Said request and result, in effect, served the purpose of a claim, which is—

"to afford the carrier or depositary reasonable opportunity and facilities to check the validity of claims while facts are still fresh in the minds of the persons who took part in the transaction and the documents are still available." (Consunji vs. Manila Port Service, 110 Phil. 231.)

Indeed, the examination undertaken by the defendant's own inspector not only gave the defendant an opportunity to check the goods but is itself a verification of its own liability (cf. Parsons Hardware vs. Manila Railroad Co., L-15173, May 30, 1961).

For the foregoing reason, the appealed decision is hereby reversed, and another judgment entered, ordering the defendants-appellees to pay the plaintiff-appellant, Fireman's Fund Insurance Company, the sum of P1,500.00. Costs against the said defendants-appellees.

Bengzon, C.J., Bautista Angelo, Concepcion, Barrera, Dizon, Regala, Makalintal, Bengzon, J.P., Zaldivar, and Sanchez, 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.