

TOMAS GROCERY, PLAINTIFF AND APPELLANT, VS. DELGADO BROTHERS, INC., AND/OR DE LA RAMA STEAMSHIP CO., DEFENDANTS AND APPELLEES.

G.R. No. 11154. April 29, 1959

Ponente: PADILLA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-11154/>

PADILLA, J.:

The plaintiff appeals from a judgment of the Court of First Instance of Manila dismissing its complaint (civil No. 28561). The parties entered into a stipulation of facts at the hearing of the case held on 15 February 1956, the terms of which are, as stated by the trial court, as follows:

* * * that on January 14, 1955, the Carnation Company of San Francisco, California, U.S.A., shipped on board the steamship "Mangalore" of the defendant De La Rama Steamship Co., Inc. 1,000 cases of carnation milk, 600 cases of which are Tails 48 and 400 cases Baby 96, all marked "Tomas Grocery, 1006-PH, Manila"; that on February 5, 1955, the steamship "Mangalore" unloaded the cargo at Manila where defendant Delgado Brothers, Inc. handled the arrastre services; that on February 8, 1955, the said shipment was received from defendant Delgado Brothers, Inc., short of 178 cases (105 cases Tails 48 and 73 cases Baby 96), the value of which is P2,884.49; and that on March 3, 1955, a formal claim was presented by the plaintiff against the defendant Delgado Brothers, Inc. In view of said stipulation of facts, the parties did not present anymore testimonial evidence but only presented documentary evidence.

The question for this Court to decide is: Who is responsible for the shortage.

The trial court absolved the defendant De La Rama Steamship Co., Inc. from liability because it had delivered the whole shipment of 1,000 cases of milk to the appellee, the operator authorized by the Bureau of Customs to handle the hauling service at the port of Manila. Pursuant to paragraph 12 of the bill of lading issued by the steamship company, "The responsibility of the Carrier in any capacity shall altogether cease and the goods shall be considered to be delivered and at their own risk and expense in every respect when taken into custody of customs or other authorities." (Exhibit A.) It also absolved the appellee from liability for failure of the appellant to file its claim for loss or non-delivery of goods within fifteen days from date of arrival of the goods pursuant to paragraph 15 of the management contract entered into by the Bureau of Customs and the appellee on 21 October 1950 (Exhibit 7).

The appellant does not question the release from liability of the defendant De La Rama Steamship Co., Inc.

Section 13, Act No. 3002, as amended by Republic Act No. 140, authorizes the Bureau of Customs to enter into a contract with any person, association or corporation to receive, handle, take custody of and deliver merchandise to be loaded and unloaded at the port of Manila and other ports of entry. On 21 October 1950 the Bureau of Customs entered into a contract with the appellee appointing it sole manager of the arrastre service at the port of Manila (Exhibit 7). Paragraph 15 of the management contract, which is the focal point of decision in this case, provides in part:

* * * in any event the contractor (the appellee) shall be relieved and released of any and all responsibility or liability for loss, damage, mis-delivery, and/or non-delivery of goods, unless suit in the court of proper jurisdiction is brought within a period of one (1) year from the date of the arrival of the goods, or from the date when the claim for the value of such goods has been rejected or denied by the contractor, provided that such claim shall have been filed with the contractor within fifteen (15) days from the date of the arrival of the goods. * * * (Exhibit 7-A.)

On 8 February 1955 three deliveries were made (Exhibits 3, 4 & 5-Delgado) and on 10 February the last delivery was made (Exhibit 6-Delgado) to the appellant of the 822 cases of milk. On 3 March 1955 the corresponding claim for shortage of 178 cases was filed with the appellee, or 21 days after the last delivery (Exhibits C & 2-Delgado)

Among the conditions imposed by the enabling Act to be incorporated in the contract to be entered into by the Bureau of Customs with any person, association or corporation to receive, handle, take custody of, and deliver merchandise to be loaded and unloaded at the port of Manila and other ports of entry is "the prompt payment of all losses thereof, as may be agreed upon between the Bureau of Customs and the contractor, subject to the approval of the Secretary of Finance." The provision, therefore, in the management contract (Exhibit 7-A) that claims for losses should be filed with the contractor within 15 days from date of arrival of the goods before an action may be brought against it in court for recovery of the value of the losses, is in consonance with the provisions of the enabling Act, intended undoubtedly to afford the contractor the opportunity to check up the claims for losses which verification would be more difficult if a longer period of time be allowed to pass.

The appellant contends that it was not a party to the management contract entered into by the Bureau of Customs and the appellee and that for that reason it could not be bound by such condition. It appears that the 822 cases of milk were withdrawn from the appellee by Protacio Villafuerte, a licensed customs broker (Exhibits 3, 4, 5 & 6-Delgado). The notice of claim for loss filed with the appellee was signed by him for and in behalf of the appellant (Exhibits C & 2-Delgado). In the permit to deliver imported goods dated 4 February 1955 issued by the Collector of Customs, the name of the same customs broker appears (Exhibit B). The gate passes issued by the appellee to bring the cargo out of the pier was in the name of the said customs broker (Exhibits 3, 4, 5 & 6-Delgado). The appellant has not repudiated its privity with the broker and has accepted the benefit of delivery of the 822 cases of milk through him. Therefore, it is bound by the notice appearing on the back of the permit to deliver imported goods (Exhibit B) and on the gate passes (Exhibits 3, 4, & 6-Delgado) that claims for losses must be "filed with the CONTRACTOR within fifteen (15) days from the date of the arrival of the goods" before the appellant could sue the appellee in court for recovery of the value of the losses. As the trial court aptly observed the appellant cannot avail itself of the provisions of the management contract (Exhibits 7 and 7-A), when its agent Protacio Villafuerte, a licensed customs broker, accepted delivery of the cargo, as shown by the permit to deliver imported goods (Exhibit B) and the gate passes In re: Petition by del Rosario-Francisco vs. Garcia (Exhibits 3, 4, 5 and 6-Delgado), and at the same time deny being a party thereto when adverse to its interests.

Moreover, the appellant has not given any reason for the delay in filing its claim with the appellee.

The judgment appealed from is affirmed, with costs against the appellant.

Paras, C. J., Bengzon, Montemayor, Reyes, A., Bautista Angelo, Labrador, Concepcion, and Endencia, 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.