RONALDO NICOL, ET AL.,[] PETITIONERS, VS. FOOTJOY INDUSTRIAL CORP., ANTONIO TAN, ROBERT LIM, TERESITA GAMBOA, DANILO DOMINGO AND CHUEN FONG HUI, RESPONDENTS.

G.R. NO. 159372. July 27, 2007

Ponente: CARPIO MORALES, J.

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CARPIO MORALES, J.:

Two hundred seventeen (217) former rank-and-file employees of respondent Footjoy Industrial Corporation (Footjoy or the company)[1] bring this petition for review on certiorari, assailing the November 29, 2002 Decision[2] and the August 4, 2003[3] Resolution of the Court of Appeals (CA) in CA G.R. SP No. 71126.

The assailed CA Decision annulled and set aside the March 25, 2002 Resolution[4] of the National Labor Relations Commission (NLRC) which denied herein respondents' motion to reduce their appeal bond and consequently dismissed their appeal for non-perfection. The assailed CA Resolution, on the other hand, denied petitioners' motion for reconsideration.

The present controversy dates back to February 2, 2001, when news of a temporary shutdown of operations was first announced by Footjoy to its employees effective the following day, February 3, 2001, until February 10, 2001.[5] The true reason for the announced closure remains an issue. Two days after the temporary shutdown, however, a fire razed the company and its premises.

In a Memorandum of February 12, 2001,[6] the company declared the total closure and cessation of its business operations allegedly because of severe losses and financial reverses. It gave notice to the workers that their employment would be terminated 30 days from that date.

On March 19, 2001, Footjoy's former employees filed with the NLRC Regional Arbitration Branch in San Fernando, Pampanga two separate complaints[7] for illegal closure resulting in illegal dismissal as well as for nonpayment of wage increase per Wage Order No. 8 against herein respondents.[8] Prior to the severance of their employment from Footjoy, petitioners had served the company for periods ranging from one year to 15 years.

In their Complaints, petitioners contended that the February 2, 2001 announcement of closure was made after negotiations between the union and management were deadlocked on the latter's proposal to consolidate the workforce of Footjoy Main and three other factory annexes[9] allegedly being operated by Footjoy also in Guiguinto, Bulacan.

Petitioners likewise contended that the proposed consolidation was rejected by the union which saw it as a scheme to terminate the majority, if not all, of its officers and members who were long time regular employees of Footjoy Main and Footjoy-Annex A. They thus averred that the fire that burned down the main plant was a convenient excuse for the permanent closure of the company.

With respect to the claim for wage differential, the workers maintained that they were paid only P192 a day, which was below the P208 per day minimum wage prescribed under the aforementioned wage order.

By Decision of November 29, 2001, the labor arbiter[10] found for petitioners. He held that the determination of whether the intended permanent closure of the company was valid on the ground of business losses was not called for considering that the same did not take place, nor was it ever implemented because of the fire which occurred on February 5, 2001. He thus concluded that the burning down of the company premises proximately caused the total closure of the company, hence, the employees may be considered as constructively terminated by reason thereof.

Respondents were accordingly ordered to jointly pay petitioners separation pay (computed on the basis of one month salary per year of service, a fraction of six months to be considered as one year) until October 31, 2001.

Noting respondents' failure to deny the allegation of nonpayment of wage increase or to submit proof of due compliance with Wage Order No. 8, they were further adjudged to pay the dismissed workers wage differentials of P16 a day effective November 16, 2000 to December 31, 2001, as well as back wages from February 5, 2000 to October 31, 2001, plus 10 percent of the total monetary award as attorney's fees. The total award amounted to Fifty One Million Nine Hundred Fifty Six Thousand and Three Hundred Fourteen Pesos (P51,956,314).

On December 14, 2001, respondents appealed the labor arbiter's Decision to the NLRC with a Manifestation and Motion[11] to reduce the bond to P10 million, for which they posted a surety bond, because of their allegedly dire financial condition.

Petitioners countered by filing a Manifestation with Motion to Require Appellants (herein respondents) To Complete Bond, with an alternative prayer for the dismissal of the appeal for non-filing of the required bond equivalent to the monetary award of P51,956,314.

The NLRC, by Order of March 25, 2002, denied respondents' motion for the reduction of its appeal bond, it holding that the motion could not be decided without passing upon the issue of the financial status of the corporation which was intertwined with the merits of the case.

The NLRC thus ordered respondents to post an additional appeal bond in the amount of P41,956,314 in cash or surety within an inextendible period of 10 days upon receipt of the Order, failing which the appeal would be dismissed for not having been duly perfected.

From the foregoing Order, respondents filed a Motion for Reconsideration. They argued that when the reduction of the bond can be determined by looking at the veracity of the financial status of the beleaguered respondent company or even when it is intertwined with the disposition of the main case, the motion should not in the first place be denied.

Likewise, respondents manifested to the NLRC that during the pendency of the appeal, the claims of 153 individual complainants had already been settled for which they had executed quitclaims in favor of petitioners; and that 795 other former employees had received their separation pay/financial assistance, leaving only about 241 workers with claims yet to be satisfied.

By Order of May 6, 2002,[12] respondents' Motion for Reconsideration was denied by the NLRC.

On the quitclaims and release papers of the employees mentioned by Footjoy, the NLRC held that although the documents appeared to have been notarized, they were not subscribed before the labor arbiter. The complainants who executed the release documents should have, the NLRC declared, been presented before it for verification of the signatures and the legitimacy of the settlement.

Finally, the NLRC noted that respondents failed to address the allegation that they were operating several run-away factories in Guiguinto and Pulilan, Bulacan,[13] hiring thousands of workers on a contractual basis, and

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using machineries pulled out from the burned-down factory.

As Footjoy failed to post the additional P41 million plus bond within the period allowed by its previous Order, the NLRC dismissed respondents' appeal for non-perfection thereof.

Respondents assailed the NLRC dismissal of their appeal before the CA via certiorari[14] with prayer for the issuance of a temporary restraining order (TRO) and/or writ of preliminary injunction.

By Resolution of July 1, 2002,[15] the CA granted respondents' plea for a TRO, thereby enjoining the NLRC from enforcing its order.

Subsequently, by the assailed Decision, the CA gave due course to respondents' petition, annulling and setting aside the challenged Resolution and Order of the NLRC.

In the assailed Decision, the CA held that the NLRC could have determined the truth or falsity and merit of respondents' grounds for the reduction of its appeal bond through the reception of evidence; and that the NLRC should not have just insisted on requiring respondents to put up a bond in the equivalent amount of the award without any regard to the reasons and arguments of respondents and without determining for itself what amount would be reasonable under the circumstances.

Citing several cases[16] in which the Supreme Court relaxed the requirement of a supersedeas bond to bring about a resolution of controversies on the merits, the appellate court held that respondents had substantially complied with the rule because both their Appeal and the Motion to Reduce Bond were filed seasonably, and the amount of P10 million, which was not minimal, was tendered with due explanation and justification therefor.

The CA thus directed the NLRC "to consider [respondents'] motion to reduce bond after receiving evidence thereon and upon the putting up of the required reasonable supersedeas bond within the period provided, to give due course to the appeal and to determine the merits of the case thereof."[17]

Petitioners moved for reconsideration of the above Decision, which motion was denied by the CA by Resolution of August 4, 2003.

Hence, this present petition for review on certiorari.

In issue is whether a motion to reduce the appeal bond can be given due course even if it is not accompanied by a bond in a "reasonable amount"; and whether this Court's ruling in Mers Shoes Manufacturing v. NLRC[18] is applicable to the present case.

The petition fails.

Article 223 of the Labor Code, as amended, clearly provides:

> ART. 223. Appeal. — Decisions, awards, or orders of the Labor Arbiter are final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt of such decisions, awards, or orders. Such appeal may be entertained only on any of the following grounds:
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> (a) If there is prima facie evidence of abuse of discretion on the part of the Labor Arbiter;
> (b) If the decision, order or award was secured through fraud or coercion, including graft and corruption;
> (c) If made purely on questions of law; and
> (d) If serious errors in the finding of facts are raised which would cause grave or irreparable damage or injury to the appellant.
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> In case of a judgment involving a monetary award, an appeal by the employer may be perfected only upon the posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission in

> the amount equivalent to the monetary award in the judgment appealed from. (Emphasis and underscoring supplied)

Similarly, Sections 4(a) and 6 of Rule VI of the New Rules of Procedure of the NLRC, as amended, provide:

> SECTION 4. REQUISITES FOR PERFECTION OF APPEAL. — (a) The Appeal shall be filed within the reglementary period as provided in Section 1 of this Rule; shall be verified by appellant himself in accordance with Section 4, Rule 7 of the Rules of Court, with proof of payment of the required appeal fee and the posting of a cash or surety bond as provided in Section 6 of this Rule; shall be accompanied by a memorandum of appeal in three (3) legibly typewritten copies which shall state the grounds relied upon and the arguments in support thereof; the relief prayed for; and a statement of the date when the appellant received the appealed decision, resolution or order and a certificate of non-forum shopping with proof of service on the other party of such appeal. A mere notice of appeal without complying with the other requisites aforestated shall not stop the running of the period of perfecting an appeal.
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> SECTION 6. BOND. — In case the decision of the Labor Arbiter or the Regional Director involves a monetary award, an appeal by the employer may be perfected only upon the posting of a cash or surety bond. The appeal bond shall either be in cash or surety in an amount equivalent to the monetary award, exclusive of damages and attorney's fees.
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> x x x x
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> No motion to reduce bond shall be entertained except on meritorious grounds and upon the posting of a bond in a reasonable amount in relation to the monetary award.
>
> The filing of the motion to reduce bond without compliance with the requisites in the preceding paragraph shall not stop the running of the period to perfect an appeal. (Emphasis and underscoring supplied)

The necessary import of the foregoing provisions is that in the case of an employer appealing the labor arbiter's decision to the NLRC, the posting of a cash or surety bond to perfect an appeal of a monetary judgment is not only mandatory but also jurisdictional, non-compliance with which has the effect of rendering the judgment final and executory.[19] Ong v. Court of Appeals[20] stressed:

> The intention of the lawmakers to make the bond an indispensable requisite for the perfection of an appeal by the employer is underscored by the provision that an appeal by the employer may be perfected only upon the posting of a cash or surety bond. The word "only" makes it perfectly clear that the lawmakers intended the posting of a cash or surety bond by the employer to be the exclusive means by which an employer's appeal may be perfected.[21]

Be that as it may, Section 6 of Rule VI of the New Rules of Procedure of the NLRC, as amended, allows the reduction of the appeal bond. This practice-evolved rule[22] has been made explicit by Resolution 01-02, series of 2002,[23] subject to the conditions that (1) the motion to reduce the bond shall be based on meritorious grounds; and (2) a reasonable amount in relation to the monetary award is posted by the appellant, otherwise the filing of the motion to reduce bond shall not stop the running of the period to perfect an appeal.

There is no dispute that respondents filed a Notice of Appeal and complied with the other requirements for perfecting an appeal, save for the posting of the full amount of the bond, on December 20, 2001 or nine days after receipt of the labor arbiter's decision. And admittedly, respondents' Motion to Reduce Bond was accompanied by an actual tender of a P10 million surety bond executed by the Security Pacific Assurance Corporation.[24]

Was the P10 million surety bond posted by the employer Footjoy a "reasonable amount" in relation to the monetary award of about P51 million so as to perfect an appeal before the NLRC? Revolving around this question is petitioners' contention that P10 million, which is roughly 20% or one-fifth of the total award, is a pittance;[25]

and respondents' submission that it was sizable and sufficient given their dire economic condition.

This Court rules at the outset that the CA committed no error in ruling that the NLRC committed grave abuse of discretion when it denied the motion to reduce the bond peremptorily without considering evidence to justify the reduction.

This Court notes in particular the NLRC's precipitate haste in dismissing the quitclaims and release documents presented by respondents to support the reduction of the monetary award due (and consequently, the amount of the appeal bond) when it could easily have required the verification of the signatures and of the legitimacy of the settlement.

The purpose of the appeal bond, being to assure the payment of workers' claims in the event of their victory on appeal,[26] the verification of the legitimacy of the alleged settlements was clearly material in determining the merit of reducing the bond to an amount sufficient to cover the award still owing or, at the very least, to a reasonable level.

Upon the other hand, while respondents' motion to reduce the bond hinged on the purportedly unhealthy state of their finances due to business reverses, the NLRC was not precluded from making a preliminary determination of their financial capability to post the required bond, without necessarily passing upon the merits. Since the intention is merely to give the NLRC an idea of the justification for the reduced bond, the evidence for the purpose would necessarily be less than the evidence required for a ruling on the merits.

Indeed, it only bears stressing that the NLRC is not precluded from receiving evidence on appeal as technical rules of evidence are not binding in labor cases.[27] On the contrary, the Labor Code explicitly mandates it to "use every and all reasonable means to ascertain the facts in each case speedily and objectively, without regard to technicalities of law or procedure, all in the interest of due process."[28]

Moreover, implicit in Section 6, Rule VI of the NLRC New Rules of Procedure of the NLRC is its authority to determine whether the motion to reduce bond is based on meritorious grounds and whether the amount offered or tendered is reasonable in relation to the award.

Admittedly, reduction of the bond is not a matter of right on the part of the movant. Its grant lies within the sound discretion of the NLRC upon showing of meritorious grounds[29] and the reasonableness of the bond tendered under the circumstances.

A review of jurisprudence[30] which could shed light on the bond requirement for perfecting an appeal before the NLRC is in order.

The case of Star Angel Handicraft v. NLRC,[31] which respondents cited in support of their Motion to Reduce Bond, arose from the dismissal by the NLRC of an employer's appeal for failure to put up a bond, the amount of which was contested because the monetary award of the labor arbiter was based allegedly on an erroneous daily-minimum wage. In dismissing the appeal, the NLRC held that the appeal bond must first be posted before the Commission could act on the motion to reduce it.

Reversing the NLRC, this Court ruled:

> Inasmuch as the NLRC in practice allowed the reduction of the appeal bond upon motion of appellant and on meritorious grounds, it follows that a motion to that effect may be filed within the reglementary period for appealing. Such motion may be filed in lieu of a bond which amount is being contested. In the meantime, the appeal is not deemed perfected and the Labor Arbiter retains jurisdiction over the case until the NLRC has acted on the motion and appellant had filed the bond as fixed by the NLRC."[32] (Underscoring supplied)

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The distinction made in Star Angel between the filing of an appeal within the reglementary period and its perfection is now invoked by respondents to excuse the posting of the required bond within the period allowed by the NLRC. Apropos are this Court's following observations in Computer Innovations Center v. NLRC:[33]

> x x x [T]he reference in Star Angel to the distinction between the period to file the appeal and to perfect the appeal has been pointedly made only once by this Court in Gensoli v. NLRC[34] thus, it has not acquired the sheen of venerability reserved for repeatedly-cited cases. The distinction, if any, is not particularly evident or material in the Labor Code; hence, the reluctance of the Court to adopt such doctrine. Moreover, the present provision in the NLRC Rules of Procedure, that "the filing of a motion to reduce bond shall not stop the running of the period to perfect appeal" flatly contradicts the notion expressed in Star Angel that there is a distinction between the filing an appeal and perfecting an appeal.
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> Ultimately, the disposition of Star Angel was premised on the ruling that a motion for reduction of the appeal bond necessarily stays the period for perfecting the appeal, and that the employer cannot be expected to perfect the appeal by posting the proper bond until such time the said motion for reduction is resolved. The unduly stretched-out distinction between the period to file an appeal and to perfect an appeal was not material to the resolution of Star Angel, and this could be properly considered as obiter dictum. (Emphasis and underscoring supplied)

The dismissal of an appeal for failure to post an appeal bond was likewise assailed in Rural Bank of Coron (Palawan), Inc. v. Cortes.[35] Notably, while this Court upheld the dismissal, it made the following pronouncement:

> It bears emphasis that all that is required to perfect the appeal is the posting of a bond to ensure that the award is eventually paid should the appeal be dismissed. Petitioners should thus have posted a bond, even if it were only partial, but they did not. No relaxation of the Rule may thus be considered. (Emphasis supplied)

In the recent case of Postigo v. Philippine Tuberculosis Society, Inc. (PTSI),[36] this Court sustained the ruling of the CA that PTSI substantially complied with the required posting of a cash or surety bond not only because the filing of its motion for reduction of the bond was justified, but also because it immediately submitted a bond which it attached to its motion for reconsideration of the NLRC resolution dismissing its appeal.

PTSI had initially deferred the posting of the surety bond in view of the alleged erroneous computation of the monetary award.

At issue in Rosewood Processing, Inc. v. NLRC[37] was a motion to reduce the required bond amounting to P789,154.39. Ruling that the posting of a partial surety bond of P50,000 during the pendency before the NLRC of the employer's motion to reduce appeal bond was substantial compliance. This Court stressed that the letter perfect rules must yield to the broader interest of substantial justice.

This ruling reiterated earlier pronouncements in Blancaflor v. NLRC,[38] Rada v. NLRC,[39] and YBL (Your Bus Line) v. NLRC,[40] in which the NLRC was cautioned to give Article 223 of the Labor Code, particularly the provisions on requiring a bond on appeals involving monetary awards, a liberal interpretation in line with the desired objective of resolving controversies on the merits.

The case of Nationwide Security and Allied Services, Inc. v. NLRC,[41] meanwhile, arose from the denial by the NLRC of a motion to reduce the appeal bond in the amount which the therein petitioner was ordered to jointly and severally pay the complainant therein. Ruling out grave abuse of discretion on the part of the NLRC, this Court held that the therein petitioner's contentions that it "cannot afford to post the bond of P397,990.19 because it does not have that sum earned from the business with Guani Marketing, Inc." and that "to use the funds from sources other than that earned from Guani Marketing, Inc. would not be a sound business judgment," constituted an

admission that it had funds to post the required bond, although not from its business with Guani Marketing, Inc. [42]

In lieu of the required cash or surety bond, the petitioner in Ong v. Court of Appeals[43] filed a motion to reduce bond. Alleging that the posting of the full amount of the award of P1,427,802,04 was "unjustified and prohibitive," petitioner prayed that the same be reduced to a "reasonable level."

Sustaining the CA, this Court ruled that the NLRC did not act with grave abuse of discretion when it denied petitioner's motion because the same failed to either elucidate why the amount of the bond was "unjustified and prohibitive" or to indicate what would be a "reasonable level." In addition, we observed that "petitioner did not post a full or partial appeal bond within the prescribed period, thus, no appeal was perfected from the decision of the Labor Arbiter."[44] (Emphasis supplied)

In Calabash Garments, Inc. v. NLRC,[45] it was held that "a substantial monetary award, even if it runs into millions, does not necessarily give the employer-appellant a "meritorious case" and does not automatically warrant a reduction of the appeal bond."

Similarly, we ruled in Biogenerics Marketing and Research Corporation v. NLRC[46] that since the filing of a bond for the perfection of an appeal is mandatory, it was "not an excuse that the over P2 million award is too much for a small business enterprise, like the petitioner company, to shoulder for the law does not require its outright payment, but only the payment of a moderate and reasonable sum for the premium for the bond."

Ciudad Fernandina Food Corporation (CFFC) Employees Union-Associated Labor Unions v. Court of Appeals[47] presented a challenge to a CA Decision setting aside the NLRC's dismissal of CCFC's appeal, which was filed alongside its Motion for Reduction of Supersedeas Bond.

Distinguishing CCFC'S case with other cases in which the Court relaxed the requirement on the posting of the supersedeas bond, the Court noted that CCFC absolutely failed to comply with the compulsory and explicit requirement of posting an appeal bond. Having merely alleged the satisfaction of the workers' claims, closure of the business and substantial justice, without more, CCFC failed to convince the Court that meritorious grounds existed for the relaxation of the rule regarding posting of an appeal bond.[48]

ALL TOLD, the bond requirement on appeals involving monetary awards has been and may be relaxed in meritorious cases.[49] These cases include instances in which (1) there was substantial compliance with the Rules, (2) surrounding facts and circumstances constitute meritorious grounds to reduce the bond, (3) a liberal interpretation of the requirement of an appeal bond would serve the desired objective of resolving controversies on the merits, or (4) the appellants, at the very least, exhibited their willingness and/or good faith by posting a partial bond during the reglementary period.

Conversely, the reduction of the bond is not warranted when no meritorious ground is shown to justify the same; the appellant absolutely failed to comply with the requirement of posting a bond, even if partial; or when circumstances show the employer's unwillingness to ensure the satisfaction of its workers' valid claims.

By the above guidelines must NLRC exercise its discretion in considering herein petitioners' motion for reduction of its bond. A remand of the case to it for determination of the merits of the motion is thus in order.

The other question presented in the present petition is the applicability of Mers Shoes Manufacturing v. NLRC.[50] To recall, the aggrieved employer in that case simultaneously filed before the NLRC an appeal and a motion to reduce the bond (which at the equivalent amount of the monetary award would have totaled P806,252.40) to P200,000.

The Commission partially granted the motion by an Order directing the therein petitioners to post a cash or surety bond of P403,126.20, or half the amount of the required bond, within ten days from receipt of its Order.

Instead, however, of posting the reduced bond, the employer filed a motion for reconsideration from the above Order, which the NLRC treated as a motion for extension of time to perfect an appeal, a prohibited pleading under the New Rules of Procedure of the NLRC. Consequently, ruling that the 10-day reglementary period within which to post the appeal bond had lapsed, the NLRC dismissed the employer's appeal.

Upholding the NLRC's dismissal of the employer's appeal in Mers Shoes, this Court ruled that perfection of an appeal within the period and in the manner prescribed by Article 223 of the Labor Code is jurisdictional, non-compliance with which is fatal and has the effect of rendering the judgment final and executory.

The factual milieus of the instant case and that of Mers Shoes are significantly different in a number of points. For one, while both cases pertained to motions for reduction of the appeal bond, the motion in Mers Shoes was partially granted by the NLRC as it allowed a 50% reduction of the required bond; whereas herein petitioners' motion was totally denied.

Furthermore, there was no showing in Mers Shoes that the employer had posted an appeal bond in any amount, while herein petitioners' motion to reduce the bond was accompanied by a P10 million surety bond.

More importantly, no grave abuse of discretion was found to have attended the dismissal of the appeal in Mers Shoes for the employer's failure to post the reduced amount of the bond. In sharp contrast, the NLRC in the present case gravely abused its discretion when it dismissed Footjoy's appeal, without even receiving evidence from which it could have determined the merit or lack of it of the motion to reduce the appeal bond.

The inapplicability of Mers Shoes to the instant case having been ruled, respondents' invocation of it for a ruling herein that petitioners' motion for reconsideration should also be treated as a motion for extension of time to perfect an appeal deserves short shrift.

It suffices to emphasize that in labor cases, rules of procedure should not be applied in a very rigid and technical sense especially when their strict application would result in the frustration rather than promotion of substantial justice.[51] Moreover, Section 14 of Rule VII of the New Rules of Procedure of the NLRC specifically provides that the aggrieved party may file a motion for reconsideration within ten (10) calendar days from receipt of any order, resolution, or decision of the NLRC.

WHEREFORE, the Petition is DENIED. The Decision of the Court of Appeals is AFFIRMED.

Costs against petitioners.

SO ORDERED.

Quisumbing, (Chairperson), Carpio, Tinga, and Velasco, Jr., JJ., concur.

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[*] Due to their sheer number, the names of the complainants in the two cases, NLRC Case Nos. RAB-III-03-2555-01 and RAB-III-11-3563-01, were merely annexed to the Complaints before the NLRC Regional Arbitration Branch. The names of the 216 other petitioners herein are likewise omitted for the sake of brevity.

[1] Footjoy was a manufacturer of slippers, shoes, sandals and luggage.

[2] Rollo, pp. 43-59. Penned by Justice Jose L. Sabio and concurred in by Justices Romeo A. Brawner (then

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Chairperson of the former Fourteenth Division) and Romeo L. Guariña III.

[3] Id. at 62.

[4] Id. at 269-271.

[5] Id. at 130; Annex "F" to Petitioners' Position Paper. In the company's Memorandum, the employees were advised to wait for further notice for the resumption of the normal schedule.

[6] Id. at 131; Annex "G" to Petitioners' Position Paper.

[7] The Position Paper of the complainants in NLRC Case No. RAB-III-03-2555-01 was signed by 479 former employees while that for NLRC Case No. RAB-III-11-3563-01 carried the signatures of 38 others. Id. at 99-120 & 154-155.

[8] Along with Footjoy, petitioners impleaded individual respondents Antonio Tan, Robert Lim, Danilo Domingo, Teresita Gamboa and Chuen Fong Hui in their respective capacities as owner, general manager of Footjoy - Annex "C," general manager of Footjoy - Annexes "A" and "B," personnel officer, and plant manager.

[9] Referred to as Footjoy Annexes "A" to "C."

[10] Executive Labor Arbiter Eduardo J. Carpio.

[11] Rollo, pp. 233-236.

[12] Id. at 272-275.

[13] The alleged run-away shops, which were identified by petitioners as Expo Rubber Industrial Corporation and Discovery Luggage Corporation, Pulilan Footwear and Luggage Manufacturing Corporation, Fair Trade International and Cathay Luggage Corporation, were impleaded as additional respondents in their Amended Complaint dated September 27, 2001 along with individual respondents Stephen Tan and Rodolfo Lim. The records do not disclose if the Amended Complaint was admitted, the Decision of the Labor Arbiter having retained the names of original respondents in the caption thereof.

[14] Rollo, pp. 276-311. The petition for certiorari was dated May 31, 2002.

[15] Id. at 313.

[16] Navarro v. NLRC, 383 Phil. 765 (2000); Nueva Ecija I Electric Cooperative, Inc. v. NLRC, 380 Phil. 44 (2000); Rosewood Processing, Inc. v. NLRC, 352 Phil. 1013 (1998); Fernandez v. NLRC, G.R. No. 105892, January 28, 1998, 285 SCRA 149; Manila Mandarin Employees Union v. NLRC, 332 Phil. 354 (1996).

[17] Rollo, p. 58; CA Decision, p. 16 (upper case in the original).

[18] 350 Phil. 294 (1998).

[19] Bunagan v. Sentinel Watchman & Protective Agency, Inc., G.R. No. 144376, September 13, 2006, 501 SCRA 650, 657; Stolt-Nielsen Marine Services, Inc. v. NLRC, G.R. No. 147623, December 13, 2005, 477 SCRA 516, 530; Filipinas Systems, Inc. v. NLRC, 463 Phil. 813, 818-819 (2003).

[20] G.R. No. 152494, September 22, 2004, 438 SCRA 668.

[21] Supra at 677.

[22] In Star Angel Handicraft v. NLRC (G.R. No. 108914, September 20, 1994, 236 SCRA 580, 584), the Court had observed that neither the Labor Code nor its implementing rules specifically provide for a situation where the

appellant moves for a reduction of the appeal bond, but observed that "in practice the NLRC allows the reduction of the appeal bond upon motion of appellant and on meritorious grounds x x x." See also Globe General Services and Security Agency v. NLRC (First Division), G.R. No. 106477, October 23, 1995, 249 SCRA 408, 415.

[23] The amendment has been carried over to Rule VI, Section 6 of the 2005 Revised Rules of Procedure of the NLRC.

[24] Rollo, pp. 237-263.

[25] Id. at 315-345; respondents' Comment to Petition with Motion to Quash TRO and Opposition to the Application for Preliminary Injunction. Respondents maintained that the reasonable amount should be 80% of the award.

[26] Oriental Mindoro Electric Cooperative, Inc. v. NLRC, 316 Phil. 959, 968 (1995); Viron Garments Mftg., Co., Inc., et al. v. NLRC, G.R. No. 97357, March 18, 1992, 207 SCRA 339, 342.

[27] Philippine Industrial Security Agency Corp. v. Dapiton, 377 Phil. 951, 964 (1999); Favila, et al. v. NLRC, 367 Phil. 584, 595 (1999); Nagkakaisang Manggagawa sa Sony (NAMASO) v. NLRC, 338 Phil. 716, 725-726 (1997).

[28] REVISED RULES OF PROCEDURE OF THE NLRC, Rule VII, Section 10.

[29] Ong v. Court of Appeals, supra note 20 at 675.

[30] The cases include those cited in petitioners' and respondents' respective Memoranda.

[31] G.R. No. 108914, September 20, 1994, 236 SCRA 580.

[32] Supra at 584.

[33] G.R. No. 152410, June 29, 2005, 462 SCRA 183, 192-193 cited in Rural Bank of Coron (Palawan), Inc. v. Cortes, G.R. No. 164888, December 6, 2006.

[34] Gensoli & Co. v. NLRC, 352 Phil. 232 (1998), involved a monetary award in the total amount of P434,752.50, of which only P181,969.10 was posted by petitioners therein as supersedeas bond.

After the NLRC dismissed the appeal for failure to post the required amount of the bond, petitioners moved for reconsideration while manifesting their willingness to put up an additional cash bond to fully cover the monetary award. That motion, however, was denied by the NLRC.

In granting petitioners' certiorari petition, this Court allowed the posting of the requisite bond so as not to foreclose the remedy of appeal. In so ruling, we took into account the fact that petitioners had repeatedly offered to their farm workers separation pay amounting to P252,738.40 and in good faith, and thereafter posted the supersedeas bond in an amount sufficient to cover the excess amount of P181,969.10.

[35] Supra note 33.

[36] G.R. No. 155146, January 24, 2006, 479 SCRA 628, 635.

[37] 352 Phil. 1013, 1031 (1998).

[38] G.R. No. 101013, February 2, 1993, 218 SCRA 366.

[39] G.R. No. 96078, January 9, 1992, 205 SCRA 69.

[40] G.R. No. 93381, September 28, 1990, 190 SCRA 160.

[41] 341 Phil. 393 (1997).

[42] Id. at 403.

[43] Supra note 20.

[44] Supra at 678.

[45] 329 Phil. 226, 235 (1996).

[46] 372 Phil. 653, 661 (1999).

[47] G.R. No. 166594, July 20, 2006, 495 SCRA 807.

[48] Supra at 819-821.

[49] See Rural Bank of Coron (Palawan), Inc. v. Cortes, supra note 33; Coral Point Development Corporation v. NLRC, 383 Phil. 456, 464 (2000).

[50] 350 Phil. 294 (1998).

[51] Tres Reyes v. Maxim's Tea House, 446 Phil. 388, 400 (2003); Samahan ng Manggagawa sa Moldex Products, Inc. v. NLRC, 381 Phil. 254, 264 (2000); Lopez, Jr. v. NLRC, 315 Phil. 717, 723-724 (1995).

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