

**VECTOR SHIPPING CORPORATION AND FRANCISCO SORIANO,
PETITIONERS, VS. ADELFO B. MACASA, EMELIA B. MACASA,
TIMOTEO B. MACASA, CORNELIO B. MACASA, JR., AND ROSARIO C.
MACASA, SULPIC...**

G.R. No. 160219. July 21, 2008

Ponente: NACHURA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-160219/>

NACHURA, J.:

Before this Court is a Petition for Review on Certiorari[1] under Rule 45 of the Rules of Civil Procedure seeking the reversal of the Court of Appeals (CA) Decision[2] dated September 24, 2003, which affirmed with modification the Decision[3] of the Regional Trial Court (RTC), Branch 17 of Davao City, dated May 5, 1995.

The Facts

On December 19, 1987, spouses Cornelio (Cornelio) and Anacleta Macasa (Anacleta), together with their eight-year-old grandson, Ritchie Macasa, (Ritchie) boarded the MV Doña Paz, owned and operated by respondent Sulpicio Lines, Inc. (Sulpicio Lines), at Tacloban, Leyte bound for Manila. On the fateful evening of December 20, 1987, MV Doña Paz collided with the MT Vector, an oil tanker owned and operated by petitioners Vector Shipping Corporation (Vector Shipping) and Francisco Soriano (Soriano), which at the time was loaded with 860,000 gallons of gasoline and other petroleum products, in the vicinity of Dumali Point, Tablas Strait, between Marinduque and Oriental Mindoro. Only twenty-six persons survived: 24 passengers of MV Doña Paz and 2 crew members of MT Vector. Both vessels were never retrieved. Worse, only a few of the victims' bodies, who either drowned or were burned alive, were recovered. Cornelio, Anacleta and Ritchie were among the victims whose bodies have yet to be recovered up to this day.

Respondents Adelfo, Emilia, Timoteo, and Cornelio, Jr., all surnamed Macasa, are the children of Cornelio and Anacleta. On the other hand, Timoteo and his wife, respondent Rosario Macasa, are the parents of Ritchie (the Macasas). Some of the Macasas went to the North Harbor in Manila to await the arrival of Cornelio, Anacleta and Ritchie. When they heard the news that MV Doña Paz was rammed at sea by another vessel, bewildered, the Macasas went to the office of Sulpicio Lines to check on the veracity of the news, but the latter denied that such an incident occurred. According to the Macasas, Sulpicio Lines was uncooperative and was reluctant to entertain their inquiries. Later, they were forced to rely on their own efforts to search for the bodies of their loved ones, but to no avail.

The Macasas manifested that before they filed a case in court, Sulpicio Lines, through counsel, intimated its intention to settle, and offered the amount of P250,000.00 for the death of Cornelio, Anacleta and Ritchie. The Macasas rejected the said offer. Thus, on October 2, 1991, the Macasas filed a Complaint for Damages arising out of breach of contract of carriage against Sulpicio Lines before the RTC. The complaint imputed negligence to Sulpicio Lines because it was remiss in its obligations as a common carrier. The Macasas prayed for civil indemnity in the amount of P800,000.00 for the death of Cornelio, Anacleta and Ritchie, as well as for Cornelio's

and Anacleto's alleged unearned income since they were both working as vocational instructors before their demise. The Macasas also claimed P100,000.00 as actual and compensatory damages for the lost cash, checks, jewelries and other personal belongings of the latter, P600,000.00 in moral damages, P100,000.00 by way of exemplary damages, and P100,000.00 as costs and attorney's fees.

Sulpicio Lines traversed the complaint, alleging, among others that (1) MV Doña Paz was seaworthy in all aspects; (2) it exercised extraordinary diligence in transporting their passengers and goods; (3) it acted in good faith as it gave immediate assistance to the survivors and kin of the victims; (4) the sinking of MV Doña Paz was without contributory negligence on its part; and (5) the collision was MT Vector's fault since it was allowed to sail with an expired coastwise license, expired certificate of inspection and it was manned by unqualified and incompetent crew members per findings of the Board of Marine Inquiry (BMI) in BMI Case No. 653-87 which had exonerated Sulpicio Lines from liability. Thus, Sulpicio Lines filed a Third-Party Complaint against Vector Shipping, Soriano and Caltex Philippines Inc. (Caltex), the charterer of MT Vector.

Trial on the merits ensued.

The RTC's Ruling

In its Decision[4] dated May 5, 1995, the RTC awarded P200,000.00 as civil indemnity for the death of Cornelio, Anacleto and Ritchie; P100,000.00 as actual damages; P500,000.00 as moral damages; P100,000.00 as exemplary damages; and P50,000.00 as attorney's fees. The case was disposed of in this wise:

Accordingly, as a result of this decision, on plaintiffs' complaint against third-party (sic) defendant Sulpicio Lines Inc., third-party defendant Caltex Philippines, Inc. and third-party defendant MT Vector Shipping Corporation and/or Francisco Soriano, are liable against defendant third-party plaintiff, Sulpicio Lines, for reimbursement, subrogation and indemnity on all amounts, defendant Sulpicio Lines was ordered liable against plaintiffs, by way of actual, moral, exemplary damages and attorney's fee, MT Vector Shipping Lines and/or Francisco Soriano, third-party defendants, are ordered jointly and severally, liable to pay third-party plaintiff, Sulpicio Lines, by way of reimbursement, subrogation and indemnity, of all the above amounts, ordered against defendant Sulpicio Lines, Inc., to pay in favor of plaintiff, with interest and cost of suit.

SO ORDERED.[5]

Aggrieved, Sulpicio Lines, Caltex, Vector Shipping and Soriano appealed to the CA.

The CA's Ruling

In the assailed Decision[6] dated September 24, 2003, the CA held:

WHEREFORE, all premises considered, the assailed decision is hereby modified in that third-party defendant-appellant Caltex Phils., Inc. is hereby exonerated from liability. The P100,000 actual damages is deleted while the indemnity for (sic) is reduced to P150,000. All other aspects of the appealed judgment are perforce affirmed.

SO ORDERED.[7]

The Issues

Hence, this Petition raising the following issues:

1)

May the decision of the Board Marine Inquiry (BMI) which, to date, is still pending with the Department of National Defense (DND) and, therefore, deemed vacated as it is not yet final and executory, be binding upon the court?

2)

In the absence of clear, convincing, solid, and concrete proof of including, but not limited to, absence of eyewitnesses on that tragic maritime incident on 20 December 1987, will it be in consonance with law, logic, principles of physics, and/or allied science, to hold that MT VECTOR is the vessel solely at fault and responsible for the collision? How about MV DOÑA PAZ, a bigger ship of 2,324.08 gross tonnage (5-deck cargo passenger vessel, then cruising at 16.5 knots)? As compared to MT VECTOR of 629.82 gross tonner tanker, then cruising at 4.5 knots? May it be considered that, as between the two vessels, MV DOÑA PAZ could ha[ve] avoid[ed] such collision had there been an official on the bridge, and that MV DOÑA PAZ could had been earlier alarmed by its radar for an approaching vessel?

3)

May VECTOR and SORIANO be held liable to indemnify/reimburse Sulpicio the amounts it is ordered to pay the MACASA's because Sulpicio's liability arises from breach of contract of carriage, inasmuch as in "culpa contractual" it is sufficient to prove the existence of the contract, because carrier is presumed to be at fault or to have acted negligently it being its duty to exercise extraordinary diligence, and cannot make the [safety] of its passengers dependent upon the diligence of VECTOR and SORIANO?

4)

Will it be in accord with existing law and/or jurisprudence that both vessels (MV DOÑA PAZ and MT VECTOR) be declared mutually at fault and, therefore, each must [bear] its own loss? In the absence of CLEAR and CONVINCING proof[,], who is solely at fault?[8]

Petitioners posit that the factual findings of the BMI are not binding on the Court as such is limited to administrative liabilities and does not absolve the common carrier from its failure to observe extraordinary diligence; that this Court's ruling in *Caltex (Philippines), Inc. v. Sulpicio Lines, Inc.*[9] is not res adjudicata to this case, since there were several other cases which did not reach this Court but, however, attained finality, previously holding that petitioners and Sulpicio Lines are jointly and severally liable to the victims;[10] that the collision was solely due to the fault of MV Doña Paz as it was guilty of navigational fault and negligence; that due to the absence of the ship captain and other competent officers who were not at the bridge at the time of collision, and running at a speed of 16.5 knots, it was the MV Doña Paz which rammed MT Vector; and that it was improbable for a slower vessel like MT Vector which, at the time, was running at a speed of merely 4.5 knots to ram a much faster vessel like the MV Doña Paz.[11]

On the other hand, Sulpicio Lines claims that this Court's ruling in *Caltex (Philippines), Inc. v. Sulpicio Lines, Inc.*[12] is res adjudicata to this case being of similar factual milieu and that the same is the law of the case on the matter; that the BMI proceedings are administrative in nature and can proceed independently of any civil action filed with the regular courts; that the BMI findings, as affirmed by the Philippine Coast Guard, holding that MT Vector was solely at fault at the time of collision, were based on substantial evidence and by reason of its special knowledge and technical expertise, the BMI's findings of facts are generally accorded respect by the courts; and that, as such, said BMI factual findings cannot be the subject of the instant petition for review asking this Court to look again into the pieces of evidence already presented. Thus, Sulpicio Lines prays that the instant Petition be denied for lack of merit.[13]

In their memorandum, the Macasas manifest that they are basically concerned with their claims against Sulpicio Lines for breach of contract of carriage. The Macasas opine that the arguments raised by Sulpicio Lines in its attempt to avoid liability to the Macasas are without basis in fact and in law because the RTC's Decision is supported by applicable provisions of law and settled jurisprudence on contract of carriage. However, they disagree with the CA on the deletion of the RTC's award of P100,000.00 actual damages. The CA's simple

justification that if indeed the victims had such huge amount of money, they could have traveled by plane instead of taking the MV Doña Paz, according to the Macasas, is unjust, misplaced and adds insult to injury. They insist that the claim for actual damages was duly established in the hearings before the RTC by ample proof that Cornelio and Anacleta were both professionals; that they were in possession of personal effects and jewelries; and that since it was the Christmas season, the spouses intended a vacation in Manila and buy things to bring home as gifts. The Macasas also appeal that the reduction of the civil indemnity for the death of Cornelio, Anacleta and Ritchie from P200,000.00 to P150,000.00 be reconsidered. Thus, the Macasas pray that the RTC Decision be affirmed in toto and/or the CA Decision be modified with respect to the deleted award of actual damages and the reduced civil indemnity for the death of the victims.[14]

This Court's Ruling

The instant Petition lacks merit.

It is a well-established doctrine that in petitions for review on certiorari under Rule 45 of the Rules of Civil Procedure, only questions of law may be raised by the parties and passed upon by this Court. This Court defined a question of law, as distinguished from a question of fact, to wit:

A question of law arises when there is doubt as to what the law is on a certain state of facts, while there is a question of fact when the doubt arises as to the truth or falsity of the alleged facts. For a question to be one of law, the same must not involve an examination of the probative value of the evidence presented by the litigants or any of them. The resolution of the issue must rest solely on what the law provides on the given set of circumstances. Once it is clear that the issue invites a review of the evidence presented, the question posed is one of fact. Thus, the test of whether a question is one of law or of fact is not the appellation given to such question by the party raising the same; rather, it is whether the appellate court can determine the issue raised without reviewing or evaluating the evidence, in which case, it is a question of law; otherwise it is a question of fact.[15]

Petitioners' insistence that MV Doña Paz was at fault at the time of the collision will entail this Court's review and determination of the weight, credence, and probative value of the evidence presented. This Court is being asked to evaluate the pieces of evidence which were adequately passed upon by both the RTC and the CA. Without doubt, this matter is essentially factual in character and, therefore, outside the ambit of a petition for review on certiorari under Rule 45 of the Rules of Civil Procedure. Petitioners ought to remember that this Court is not a trier of facts. It is not for this Court to weigh these pieces of evidence all over again.[16]

Likewise, we take judicial notice[17] of our decision in *Caltex (Philippines), Inc. v. Sulpicio Lines, Inc.*[18] In that case, while Caltex was exonerated from any third-party liability, this Court sustained the CA ruling that Vector Shipping and Soriano are liable to reimburse and indemnify Sulpicio Lines for whatever damages, attorney's fees and costs the latter is adjudged to pay the victims therein.

Petitioners' invocation of the pendency before this Court of *Francisco Soriano v. Sulpicio Lines, Inc.*[19] along with *Vector Shipping Corporation and Francisco Soriano v. American Home Assurance Co. and Sulpicio Lines, Inc.*[20] is unavailing. It may be noted that in a Resolution dated February 13, 2006, this Court denied the petition in *Francisco Soriano v. Sulpicio Lines, Inc.* for its failure to sufficiently show that the CA committed any reversible error in the challenged decision as to warrant the exercise of this Court's discretionary appellate jurisdiction. As a result, the CA decision[21] dated November 17, 2003 holding that Sulpicio Lines has a right to reimbursement and indemnification from the third-party defendants Soriano and Vector Shipping, who are the same petitioners in this case, was sustained by this Court. Considering that in the cases which have reached this Court, we have consistently upheld the third-party liability of petitioners, we see no cogent reason to deviate from this ruling.

Moreover, in *Caltex (Philippines), Inc. v. Sulpicio Lines, Inc.*,^[22] we held that MT Vector fits the definition of a common carrier under Article 1732^[23] of the New Civil Code. Our ruling in that case is instructive:

Thus, the carriers are deemed to warrant impliedly the seaworthiness of the ship. For a vessel to be seaworthy, it must be adequately equipped for the voyage and manned with a sufficient number of competent officers and crew. The failure of a common carrier to maintain in seaworthy condition the vessel involved in its contract of carriage is a clear breach of its duty prescribed in Article 1755 of the Civil Code.

The provisions owed their conception to the nature of the business of common carriers. This business is impressed with a special public duty. The public must of necessity rely on the care and skill of common carriers in the vigilance over the goods and safety of the passengers, especially because with the modern development of science and invention, transportation has become more rapid, more complicated and somehow more hazardous. For these reasons, a passenger or a shipper of goods is under no obligation to conduct an inspection of the ship and its crew, the carrier being obliged by law to impliedly warrant its seaworthiness.

Thus, we are disposed to agree with the findings of the CA when it aptly held:

We are not swayed by the lengthy disquisition of MT Vector and Francisco Soriano urging this Court to absolve them from liability. All evidence points to the fact that it was MT Vector's negligent officers and crew which caused it to ram into MV Doña Paz. More so, MT Vector was found to be carrying expired coastwise license and permits and was not properly manned. As the records would also disclose, there is a defect in the ignition system of the vessel, and it was not convincingly shown whether the necessitated repairs were in fact undertaken before the said ship had set to sea. In short, MT Vector was unseaworthy at the time of the mishap. That the said vessel was allowed to set sail when it was, to everyone in the group's knowledge, not fit to do so translates into rashness and imprudence.^[24]

We reiterate, anew, the rule that findings of fact of the CA are generally binding and conclusive on this Court.^[25] While this Court has recognized several exceptions^[26] to this rule, none of these exceptions finds application in this case. It bears emphasis also that this Court accords respect to the factual findings of the trial court, especially if affirmed by the CA on appeal. Unless the trial court overlooked substantial matters that would alter the outcome of the case, this Court will not disturb such findings. In any event, we have meticulously reviewed the records of the case and found no reason to depart from the rule.^[27]

Lastly, we cannot turn a blind eye to this gruesome maritime tragedy which is now a dark page in our nation's history. We commiserate with all the victims, particularly with the Macasas who were denied justice for almost two decades in this case. To accept petitioners' submission that this Court, along with the RTC and the CA, should await the review by the Department of National Defense of the BMI findings, would, in effect, limit the courts' jurisdiction to expeditiously try, hear and decide cases filed before them. It would not only prolong the Macasas' agony but would result in yet another tragedy at the expense of speedy justice. This, we cannot allow.

WHEREFORE, the instant Petition is DENIED. The assailed Court of Appeals Decision dated September 24, 2003 is hereby AFFIRMED. Costs against petitioners.

SO ORDERED.

Quisumbing, Ynares-Santiago, (Chairperson), Carpio, and Reyes, JJ., concur.

* In lieu of Associate Justice Minita V. Chico-Nazario per Special Order No. 508, dated June 25, 2008.

** In lieu of Associate Justice Alicia Austria-Martinez per raffle dated June 23, 2008.

[1] Rollo, pp. 9-30.

[2] Penned by Associate Justice Bienvenido L. Reyes, with Associate Justices Condrado M. Vasquez, Jr. (now CA Presiding Justice) and Arsenio J. Magpale, concurring; id. at 34-48.

[3] Rollo, pp. 233-254.

[4] Id. at 253-254.

[5] Id. at 253-254.

[6] Id. at 34-48.

[7] Id. at 48.

[8] Id. at 274-290.

[9] 374 Phil. 325 (1999).

[10] Consolidated Reply of Petitioners dated June 29, 2005; rollo, pp. 146-157.

[11] Petitioners' Memorandum dated November 12, 2005; id. at 274-290.

[12] Supra note 9.

[13] Sulpicio Lines' Memorandum dated November 4, 2005; rollo, pp. 180-202.

[14] Macasas' Memorandum dated November 4, 2005; id. at 204-232.

[15] Binay v. Odeña, G.R. No. 163683, June 8, 2007, 524 SCRA 248, 255-256, citing Velayo-Fong v. Velayo, 510 SCRA 320, 329-330 (2006) (Emphasis supplied).

[16] Basmayor v. Atencio, G.R. No. 160573, October 19, 2005, 473 SCRA 382, 389, citing Omandam v. Court of Appeals, 349 SCRA 483, 488 (2001).

[17] In Asian Transmission Corporation v. Canlubang Sugar Estates, 457 Phil. 260, 283 (2003), citing Republic v. Court of Appeals, 277 SCRA 633 (1997), we ruled that:

Mr. Justice Edgardo L. Paras opined:

"A court will take judicial notice of its own acts and records in the same case, of facts established in prior proceedings in the same case, of the authenticity of its own records of another case between the same parties, of the files of related cases in the same court, and of public records on file in the same court. In addition, judicial notice will be taken of the record, pleadings or judgment of a case in another court between the same parties or involving one of the same parties, as well as of the record of another case between different parties in the same court. Judicial notice will also be taken of court personnel."

[18] Supra note 9, at 725.

[19] Particularly docketed as G.R. No. 160839.

[20] Particularly docketed as G.R. No. 159213.

[21] Particularly docketed as CA-G.R. CV No. 58014.

[22] Supra note 9, at 718-720.

[23] ARTICLE 1732. Common carriers are persons, corporations, firms or associations engaged in the business of

carrying or transporting passengers for passengers or goods or both, by land, water, or air for compensation, offering their services to the public.

[24] Rollo, p. 41.

[25] Republic v. Bautista, G.R. No. 169801, September 11, 2007, 532 SCRA 598, 606, citing Baricuatro v. Court of Appeals, 382 Phil. 15, 24 (2000).

[26] The exceptions are: (1) when the findings are grounded entirely on speculation, surmises, or conjectures; (2) when the inference made is manifestly mistaken, absurd, or impossible; (3) when there is grave abuse of discretion; (4) when the judgment is based on a misapprehension of facts; (5) when the findings of facts are conflicting; (6) when in making its findings, the CA went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; (7) when the findings are contrary to the trial court; (8) when the findings are conclusions without citation of specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent; (10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and (11) when the CA manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, will justify a different conclusion.

[27] Solidbank Corporation/Metropolitan Bank and Trust Company v. Tan, G.R. No. 167346, April 2, 2007, 520 SCRA 123, 128, citing Bortalba v. Court of Appeals, 425 Phil. 407 (2002).

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.