

**STEFAN TITO MIÑOZA PETITIONER, VS. HON. CESAR TOMAS LOPEZ,
IN HIS OFFICIAL CAPACITY AS MAYOR AND CHAIR, LOON COCKPIT
ARENA BIDDING AND AWARDS COMMITTEE, ITS MEMBERS
NAMELY: HERM...**

G.R. No. 170914. April 13, 2011

Ponente: DEL CASTILLO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-170914/>

DEL CASTILLO, J.:

There can be no legal duel in court when the one who demands satisfaction from the alleged offender is not even the offended party.

When petitioner's suit for annulment of bidding of a cockpit franchise and for damages was dismissed by the lower courts on the ground that he is not the real party in interest, he now comes before this Court to assert his legal personality to sue.

This Petition for Review on Certiorari assails the July 29, 2005 Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 83894 which dismissed the Petition for Certiorari filed before it. Likewise assailed is the December 2, 2005 Resolution[2] denying the Motion for Reconsideration thereof.

Factual Antecedents

For several years since 1988, petitioner Stefan Tito Miñoza was the duly licensed owner and operator[3] of the Loon Cockpit Arena in Cogon Norte, Loon, Bohol. Because of the dilapidation of the building, the increasing rentals and the lot owner's notice for him to vacate by October 2001, petitioner transferred his business operation to Bgy. Lintuan in Loon. In March 2001, petitioner began the construction of a new cockpit after securing from the municipal officials a building permit, an electrical permit[4] and a fencing permit.[5] By the end of 2001, the cockpit was certified by the municipal engineer as 65% complete.[6] On January 11, 2002, respondent Municipal Mayor Cesar Tomas Lopez (Mayor Lopez) issued in favor of petitioner a temporary permit to hold cockfights at the newly-built cockfighting arena in Bgy. Lintuan beginning January 13, 2002.[7]

Six days later, however, the Sangguniang Bayan issued Resolution No. 02-016, Series of 2002[8] declaring the cockpit in Bgy. Lintuan as unlicensed and that the only licensed cockpit is the one in Cogon Norte. The resolution likewise stated that the cockpit in Bgy. Lintuan has no benches, toilets, or eateries and that the place is prone to vehicular accidents for lack of parking space. As a result, Mayor Lopez revoked petitioner's temporary license to operate.

Subsequently, Municipal Ordinance No. 03-001 Series of 2003 or the "Cockfighting Ordinance of Loon"[9] was approved to regulate cockfighting in the municipality. Pursuant thereto, the Sangguniang Bayan enacted Resolution No. 03-161, Series of 2003[10] which opened for public bidding a 25-year franchise of the cockpit operation in Loon. The Loon Cockpit and Awards Bidding Committee scheduled for August 25, 2003 the prequalification conference and actual bidding of the franchise of the Loon Cockpit.[11]

Four qualified parties submitted their cash bids namely, Ricardo Togonon, Ricky Masamayor, Marcelo Epe (Marcelo), and petitioner's uncle, Jose Uy (Jose).[12] According to petitioner, he did not personally join the bidding since he knew that Mayor Lopez will only thwart his bid because of the case he filed against him before the Ombudsman in line with the cancellation of the temporary permit earlier issued to him. Hence, it was petitioner's uncle who submitted the bid for and on his behalf.

During the conduct of the public bidding, Marcelo was declared the winner[13] and a franchise for the cockpit operation in Loon was granted in his favor by way of Municipal Ordinance No. 03-007, Series of 2003.[14]

On January 29, 2004, petitioner filed a Complaint[15] with the Regional Trial Court (RTC) of Bohol in Tagbilaran City against Mayor Lopez, the members of the Sangguniang Bayan, the members of the Loon Cockpit Bidding and Awards Committee, and the franchise awardee, Marcelo, for Annulment of both the bidding process and Municipal Ordinance No. 03-007, Series of 2003 and for Damages. Petitioner alleged that the bidding was rigged and fraudulently manipulated to benefit Marcelo, Mayor Lopez's rumored business partner and financial backer. Considering the rigged bidding, petitioner claimed that the ordinance awarding the franchise to Marcelo has no basis.

Anent his claim for damages, petitioner alleged that respondents acted in bad faith in granting him the necessary permits to construct a cockpit in Bgy. Lintuan only to revoke them when his new cockpit was about to be finished and after he had already spent approximately a million pesos for construction. Because of these unjust, illegal and malicious acts of respondents, petitioner claimed that he suffered great anxiety and extreme prejudice which entitles him to moral damages of P200,000.00, exemplary damages of P150,000.00 and actual damages equivalent to the amount spent for the construction of his new cockpit or P1,000,000.00.

Respondents did not file their Answer except for Marcelo who filed an Answer-in-Intervention[16] averring that the suit was meant to harass and to block the grand cock derby that he was about to stage. He maintained that no irregularity occurred in the bidding as the officials judiciously performed their duties.

Marcelo subsequently moved to dismiss petitioner's complaint mainly for lack of cause of action and for estoppel,[17] arguing that petitioner was not even one of the bidders and that he never filed any protest during the bidding.

Ruling of the Regional Trial Court

On March 9, 2004, the RTC dismissed the complaint on the ground that petitioner was not the proper party to sue since he was not even a bidding participant in the alleged rigged bidding of the cockpit franchise. The trial court also found petitioner undeserving of damages. The RTC ratiocinated in this wise:

In the case of the cockpit arena of plaintiff in Lintuan, it is to be noted that the Sangguniang Bayan, under Municipal Ordinance No. 02-016, S-2002, had earlier declared it unfit and sub-standard being lacking of [sic] facilities and prone to vehicular accident which considerations the Court finds not only [untenable] but of paramount importance as it is the bounden duty of any local government or any business proprietor for that matter to ensure the safety of the life and limbs of the users to maintain public patronage. And having awarded the franchise to defendant Marcelo Epe, plaintiff has no business to question the judgment of the Sangguniang Bayan on the matter as it did not impair any contract or right granted to third persons much less the plaintiff as the permit granted to him by the Mayor was only temporary that did not confer a vested right for the issuance of a franchise. But even granting arguendo that the bidding was rigged, the incident should have been questioned right then and there or reasonably after the submission of the Bidding Report to the Sangguniang Bayan, yet, the records shows the contrary. In fact, it took plaintiff five months later to do it and surprisingly in time for the opening activity of the Grand Derby which would only suggest that plaintiff [sic] intention was malicious and in bad faith and was only out to put defendant in public shame and embarrassment had his

application for temporary restraining order succeeded. Besides, plaintiff did not personally participate in the bidding, so that, it is correct to say that he is not a party-in-interest thereto and, thus, estopped to bring the action himself in court. Furthermore, he was afforded all legal remedies therefor, having taken his cause to the Ombudsman but the same was dismissed for being bereft of propriety. If ever he suffered damages in the construction of his new cockpit in Lintuan, it was his fault for not [sic] cautious enough to invest in the enterprise without first obtaining a franchise.

Wherefore, in view of all the foregoing, the instant case is hereby ordered DISMISSED with costs against plaintiff.[18]

Petitioner filed a Motion for Reconsideration[19] insisting that he is a party-in-interest because as a licensed cockpit operator for several years, he stands to be benefited or injured by the court's judgment. The RTC nevertheless dismissed petitioner's motion for reconsideration in its March 17, 2004 Order.[20]

Ruling of the Court of Appeals

Petitioner thus filed a Petition for Certiorari[21] before the CA docketed as CA-G.R. SP No. 83894. He argued that 'not being a party-in-interest' is not one of the enumerated grounds for dismissing a case under the Rules of Court. And granting that it is a ground, he claimed that he was denied due process when the RTC dismissed his action without allowing him to present evidence to prove that he is a party-in-interest. Petitioner asserted that while he did not personally participate in the bidding, it was Jose, his uncle, who submitted the bid on his behalf. He also asserted that Marcelo's claims in his motion to dismiss were matters of defense and questions of fact that necessitated a trial on the merits which was never conducted.

In its assailed July 29, 2005 Decision,[22] the CA stressed that due process does not necessarily entail a full-blown trial, and in petitioner's case, he was clearly given all the opportunities to be heard. Moreover, the CA found no grave abuse of discretion on the part of the RTC in dismissing petitioner's suit for lack of cause of action for want of personality to sue. The CA explained, viz:

As shown in the records of the case, it was the petitioner's uncle and not the petitioner himself who participated in the bid. The fact that the petitioner is the owner of the new and existing cockpit and a licensed cockpit operator for the past fourteen (14) years is irrelevant.

To emphasize, the present complaint indeed has no cause of action. Settled is the doctrine that a valid ground must appear on the face of the complaint. The test of the sufficiency of the facts alleged in a complaint as constituting a cause of action is whether or not, admitting the facts alleged, the court might render a valid judgment upon the same in accordance with the prayer of the complaint. From the face of the complaint, it is manifest that the petitioner is not the real party in interest for he was not even a participant in the August 25, 2003 bidding. Therefore, the petitioner, having no personality to sue has no cause of action against the defendants. x x x[23]

Hence, the CA disposed of the petition as follows:

WHEREFORE, premises considered, this petition is denied due course and accordingly dismissed. The Order dated March 9, 2004 of the Regional Trial Court, 7th Judicial Region, Branch 3, City of Tagbilaran, in Civil Case No. 6903 is hereby AFFIRMED.

SO ORDERED.[24]

Petitioner filed a Motion for Reconsideration[25] but it was denied in a Resolution[26] dated December 2, 2005.

Hence, this petition.

The Parties' Arguments

Petitioner argues that he is a party because he stands to be prejudiced by the rigged bidding and the assailed ordinance as he was in fact the highest bidder of the cockfight franchise, it having been agreed by their family that his uncle, Jose, would only submit the bid on petitioner's behalf. Petitioner claims that his bid was the highest if Marcelo's questionable bid was excluded.

On respondents' part, they maintain that petitioner has no cause of action against them.[27]

Issue

The sole issue to be resolved is whether petitioner has the standing to challenge the bidding proceedings and the issuance of Ordinance No. 03-007, Series of 2003.

Our Ruling

It is a general rule that every action must be prosecuted or defended in the name of the real party-in-interest, who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit.[28]

Jurisprudence defines interest as "material interest, an interest in issue and to be affected by the decree, as distinguished from mere interest in the question involved, or a mere incidental interest. By real interest is meant a present substantial interest, as distinguished from a mere expectancy or a future, contingent, subordinate, or consequential interest." [29] "To qualify a person to be a real party-in-interest in whose name an action must be prosecuted, he must appear to be the present real owner of the right sought to be enforced." [30]

Under this definition, petitioner, not being one of the bidders clearly has no personality to contest the alleged rigged bidding as well as to pray for the annulment of Ordinance No. 03-007, Series of 2003 which granted the franchise to Marcelo. The fact that he owns the cockpit in Bgy. Lintuan does not clothe him with legal standing to have the bidding proceedings annulled and Marcelo stripped off of the cockpit franchise. Even assuming that the bidding proceeding was rigged thereby disqualifying Marcelo as a bidder, the highest bidder would still be Jose, and not the petitioner who was not even a participant. Contrary to petitioner's claim that Jose was his representative, records show that Jose acted in his personal capacity when he applied to be one of the bidders of the cockpit franchise.[31] Never was it shown that he was bidding on behalf of someone else, particularly petitioner. Petitioner's agreement with his family and Jose, i.e., that the latter would bid on behalf of the petitioner, does not bind the respondents. Thus, had Jose been the highest bidder, the franchise would have been awarded in his name and not in favor of petitioner. Jose would be the one accountable to the Sangguniang Bayan with regard to fulfillment of the obligations of said franchise.

All told, this Court finds no reason to disturb the judgment of the CA affirming the RTC's dismissal of petitioner's action. Suffice it to state that on the sole basis of the allegations of the complaint, the court may dismiss the case for lack of cause of action.

WHEREFORE, the Petition is hereby DENIED. The assailed Decision and Resolution of the Court of Appeals in CA-G.R. SP No. 83894 dated July 29, 2005 and December 2, 2005, respectively, are AFFIRMED.

SO ORDERED.

Corona, C.J., (Chairperson), Velasco, Jr., Leonardo-De Castro, and Perez, JJ., concur.

[1] CA rollo, pp. 182-192; penned by Associate Justice Mercedes Gozo-Dadole and concurred in by Associate Justices Arsenio J. Magpale and Ramon M. Bato, Jr.

[2] Id. at 207-208.

[3] Id. at 60-66 which showed the latest payments in connection with petitioner's business license/permit for the year 2001.

[4] Id. at 68, 72-73.

[5] Id. at 69-71.

[6] Id. at 77.

[7] Id. at 74.

[8] Id. at 75-76.

[9] Id. at 35-43.

[10] Id. at 44-46.

[11] Id. at 47.

[12] Id. at 52-56.

[13] Id. at 52.

[14] Id. at 57-59.

[15] Id. at 21-33; Raffled to Branch 3 under Presiding Judge Venancio J. Amila and docketed as Civil Case No. 6903.

[16] Id. at 78-85.

[17] Id. at 88-95; See Petitioner's Verified Motion to Dismiss.

[18] Id. at 18-19.

[19] Id. at 100-103.

[20] Id. at 159.

[21] Id. at 2-15.

[22] Id. at 182-192.

[23] Id. at 190-191.

[24] Id. at 92.

[25] Id. at 197-202.

[26] Id. at 207-208.

[27] Rollo, pp. 161-165, 172-174.

[28] Rules of Court, Rule 3, Section 2.

[29] *Ortigas Co. Ltd. v. Court of Appeals*, 400 Phil. 615, 625 (2000) citing *Republic v. Sandiganbayan*, G.R. No. 90667, November 5, 1991, 203 SCRA 310; *De Leon v. Court of Appeals*, G.R. No. 123290, August 15, 1997, 277 SCRA 478; and *Barfel Development Corporation. v. Court of Appeals*, G.R. No. 98177, June 8, 1993, 223 SCRA 268.

[30] *Shipside, Inc. v. Court of Appeals*, 404 Phil. 981, 998 (2000).

[31] CA rollo, p. 54.

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.