

## KALILID WOOD INDUSTRIES CORPORATION, PETITIONER, VS. THE COURT OF APPEALS AND AGUSAN WOOD INDUSTRIES, INC., RESPONDENTS.

*G.R. No. 79723, May 31, 1991*

Ponente: PARAS, J.

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### PARAS, J.:

These two consolidated petitions seek the review of the April 21, 1987 Decision[1] of the Court of Appeals in CA G.R. SP No. 09243 denying the petition and finding Attys. Dolfuss Go and Salvador Ruiz guilty of contempt of court; and the August 31, 1987 Resolution[2] of the same Court denying the motion for reconsideration.

The antecedent facts this case, as gathered from the records, are as follows:

On June 26, 1956, Jose Briones, Jr. was granted Original Timber License No. 738-62 for a 5,950 hectare forest area in Loreto, Agusan del Sur. On June 29, 1962, he applied for renewal of the license, but the Director of Forestry denied his application on July 5, 1963. Thereafter, the then Secretary of Agriculture and Natural Resources, Jose Feliciano, declared the area automatically reverted to the mass of public forest and was included in the area subject to bidding. On August 23, 1963, Briones filed a motion for reconsideration of the denial of his application.

On October 13, 1964, while said motion for reconsideration was pending, another timber licensee, P.B. de Jesus, now Kalilid Wood Industries Corporation (KWIC for short), applied for the same area. On June 10 1966, the then Secretary of Agriculture and Natural Resources Fernando Lopez approved the application of de Jesus and directed the Director of Forestry to expedite action on the application.

The Director of Forestry, instead of acting on the application, recommended renewal of the expired license of Briones. De Jesus opposed the recommendation, and on January 26, 1968, the Secretary of Agriculture and Natural Resources disapproved the renewal of Briones' license and directed that the area in dispute be made available to Pedro B. de Jesus (Rollo, G.R. No. 79723, pp. 390-393).

On February 8, 1968, KWIC moved for the immediate execution of the said decision. On the other hand, Briones, after denial of his February 28, 1968 motion for reconsideration (*Ibid.*, G.R. No. 79723, p. 715) appealed to the Office of the President (*Ibid.*, p. 392), but the appealed decision was affirmed in toto by then Acting Asst. Executive Secretary Ponciano G.A. Mathay on March 15, 1971 (*Ibid.*, p. 392).

On March 2, 1973, Presidential Asst. Antonio Quejado, in a Memorandum for the President, recommended the recall of Mathay's decision, and to implement instead the draft decision of the then Asst. Executive Secretary Roberto Reyes, awarding the subject forest area to Briones. The President approved the recommendation, and accordingly, on March 23, 1973, Acting Asst. Executive Secretary Roberto V. Reyes promulgated a decision setting aside the January 26, 1968 decision of the Secretary of Natural Resources and ordered the Director of Forestry to renew the Original Timber License of Jose Briones, Jr. with the condition that the area be

subsequently consolidated without delay with the area of D.O. Plaza Enterprises, Inc., now Agusan Wood Industries, Inc. (AGWOOD for short), as appellant Briones has represented to do.

On March 30, 1973, KWIC filed in the then Court of First Instance of Manila, a petition for certiorari, prohibition and mandamus with a prayer for temporary restraining order and a writ of preliminary injunction, docketed therein as Civil Case No. 90377, wherein KWIC questioned the validity of the Reyes decision. This case eventually reached this Court, G.R. Nos. L-38663 and L-40740, but pending resolution on the case, the parties entered into a compromise agreement, wherein, among others, the parties accepted as having become final and executory the Mathay decision.

On May 11, 1978, this Court issued a decision based on the parties' compromise agreement, but stated, in substance, that the compromise agreement does not bind the government.

On November 24, 1980, the then Minister of Natural Resources Jose Leido, issued two letter orders in accordance with the Reyes decision - (1) informing KWIC of the amendments of its TLA No. 237 by excluding therefrom the area covered by the former O.T. License of Briones; and (2) informing AGWOOD of the amendment of its TLA No. 197 by including therein the Briones area and ordering payment of additional license fees and the deposit of additional cash bond. AGWOOD paid the additional license fees and deposited the required additional cash bond.

Accordingly, KWIC filed a petition for certiorari and prohibition with preliminary injunction and restraining order before this Court, but the same was denied for lack of merit by this Court on December 18, 1980 (G.R. No. 55736). KWIC filed a motion for reconsideration.

Pending resolution of the said motion, one of its stockholders, E.P. Cruz, filed a petition for certiorari, prohibition and mandamus in the then CFI of Pasay City, docketed as Civil Case No. 9036-P, assailing the validity of Leido's letter orders (Ibid., pp. 716-720). AGWOOD, in this Court (G.R. No. 57323) questioned the jurisdiction of the then CFI of Pasay City to entertain the case.

On October 18, 1982, this Court issued a Resolution in G.R. Nos. 55736, 57323, 57760, wherein in G.R. No. 55736, KWIC's motion for reconsideration was denied and in G.R. Nos. 57323 and 57760, ordered the dismissal of Case No. 9036-P (G.R. No. 73219, p. 45, Vol. 1).

In the meantime, the November 24, 1980 letter-order of the then Minister of Natural Resources Jose Leido, Jr., was also the subject matter of three separate petitions - (1) docketed as Civil Case No. R-82-6373 before the Regional Trial Court of Manila; (2) Civil Case No. Q-32722 before the RTC of Quezon City; and (3) Civil Case No. 11741 before the Regional Trial Court of Makati. These three (3) cases were later on consolidated in this Court and docketed as G.R. Nos. 74815, 67634 and 73219, respectively. Motion to dismiss Civil Cases Nos. 32722 and 11741 was filed, but the same was denied. Hence, a petition was filed in this Court. Civil Case No. R-82-6373, on the other hand, on August 12, 1983, was decided in favor of KWIC. The Reyes decision was declared null and void and the public officials were directed to implement the Mathay decision. This judgment, allegedly having become final and executory, a writ for its execution was issued on February 14, 1984, but the said writ was never implemented because the defendants therein filed a petition with this Court.

On November 23, 1984, the August 11, 1983 decision, was set aside, as well as the February 14, 1984 writ of execution. Upon motion for reconsideration, an order dated May 29, 1986 was issued reinstating the August 11, 1983 decision (G.R. No. 80191, p. 34).

On May 30, 1986, KWIC filed a Motion for Issuance Of Order of Seizure and Attachment "of all logs being illegally felled and cut from the Briones timber area as well as all logging equipments being used in said illegal logging operations and in hauling, transporting and towing of said logs."

On June 2, 1986, the Regional Trial Court of Manila issued an order directing the defendants therein to comply with the August 11, 1983 decision.

Pursuant to the aforesaid order, Ramon Enriquez, deputy sheriff of Branch XXXI of the RTC of Manila, relying on the February 14, 1984 writ of execution, served notice on June 4, 1986 on the area managers of Areas No. 26 and 27 of the Ministry of Natural Resources and Wood Industry Development Authority (WIDA) and AGWOOD "of taking possession of subject timber area formerly covered by O.T.L. No. 738-62 issued in the names of Jose Briones, Jr., comprising 5,950 hectares more or less, including all improvements, equipments, and logs felled and cut within the said timber area INCLUDING those hauled or transported out of said area . . . . AS COMMANDED."

On June 4 and 5, 1986, possession of AGWOOD's tugboat, trucks, barge, caterpillar grader and 2,023 pieces of logs were turned over to KWIC for safekeeping, as alleged successor of P.B. de Jesus and Co., Inc.

On June 6, 1986, AGWOOD filed a petition for prohibition and mandamus with preliminary injunction in Branch VI of the RTC of Prosperidad, Agusan del Sur against Ramon Enriquez, deputy sheriff of Branch XXXI, RTC, Manila, and Vic Casas, Vice President of KWIC, docketed as Civil Case No. 552 (Rollo, G.R. No. 80191, p. 37); and on the same day, presiding Judge, Carlo H. Lozada, issued a temporary restraining order (Ibid., p. 37).

On June 11, 1986, KWIC filed a petition for Certiorari, Prohibition and Mandamus, with Preliminary Injunction and Temporary Restraining Order before the then Intermediate Appellate Court against the Honorable Carlo H. Lozada, the Provincial Sheriff and his deputy, and AGWOOD.

On June 13, 1986, the Intermediate Appellate Court required the respondents to comment and temporarily enjoined respondents from implementing the June 6, 1986 restraining order. This restraining order was received by respondents.

On June 18, 1986, AGWOOD, alleging that another 514 pieces of its logs valued at P1,500,000.00 had been illegally levied upon pursuant to the challenged writ of execution of February 14, 1984, filed with the Regional Trial Court of Butuan City, Branch IV, a complaint for prohibition, mandamus, and damages with preliminary injunction, docketed therein as Civil Case No. 3061; and on June 18, 1986, presiding judge, Benjamin R. Pia issued a temporary restraining order (Ibid., p. 38).

On June 23, 1986, KWIC amended its petition with the Court of Appeals to include as respondents, Judge Benjamin Pia, the city sheriff and deputy sheriff of Butuan City, the Commanding Officer of 23 I-B PA, and the Agusan del Sur PC/INP Command as respondents, and prayed, among others, that they be restrained and enjoined from enforcing the June 18, 1986 order (Ibid., pp. 38-39).

On June 26, 1986, the Court of Appeals required the respondents to comment and temporarily enjoined the defendants from implementing the questioned orders. Copies of the restraining order were received by the respondents on June 27, 1986.

On June 27, 28, and 29, 1986, allegedly, another 535 pieces of logs belonging to AGWOOD were levied upon pursuant to the same writ of execution. Hence, on July 2, 1986, AGWOOD filed a third complaint for prohibition, mandamus and damages with preliminary mandatory and prohibitory injunction before Branch II of the RTC of Butuan City, docketed thereat as Civil Case No. 3072. On July 6, 1986, the presiding judge, Rosarito F. Dabalos issued a temporary restraining order.

On July 7, 1986, KWIC filed a second amended petition naming the Hon. Judge Dabalos, deputy sheriff Casiano Angchangco, Jr., Lt. Col. Ruben Cabagnet, PC Provincial Commander of Butuan City and the Commanding

Officer of the 23rd Infantry Battallion of the PA, as additional respondents, and praying, among others, that the new respondents be restrained from enforcing the orders of July 2 and 3, 1986 (Ibid., pp. 39-40, G.R. No. 80191).

On July 8, 1986, KWIC filed a motion for contempt to cite the following respondents in contempt of court: (1) The Hon. Rosarito F. Dabalos; (2) Deputy Provincial Sheriff Remy Recino, of RTC Branch IV, Prosperidad, Agusan del Sur; (3) Deputy Provincial Sheriff Casiano Angchangco, Jr., of RTC Branches II and IV, Agusan del Norte, Butuan City; (4) AGWOOD Corporate officers Tomas Tan Soc, president, Joseph Tan, vice-president, Lorenzo Tan, VP, and Pascual Tong, VP; and (5) Lawyers Dolfuss Go and Salvador Ruiz (G.R. No. 80191, Rollo, pp. 40-42).

On July 11, 1986, the Court of Appeals required the respondents to comment and temporarily restrained them from implementing the questioned orders. This restraining order was received by respondents on July 15, 1986 (Ibid., p. 42).

On April 21, 1987, the Court of Appeals (Twelfth Division), rendered its decision, the dispositive portion of which reads:

"WHEREFORE, judgment is hereby rendered:

1. DENYING due course to the petition;
2. Finding the Honorable respondent Judge Rosarito F. Dabalos, sheriffs Remy Recino and Casiano Angchangco, and the AGWOOD officers Tomas Tan Soc, Joseph Tan, Lorenzo Tan, Pascual Tong, not guilty of contempt of court.
3. Finding Attys. Dolfuss Go and Salvador Ruiz guilty of contempt for misbehavior as officers of the court and improper conduct tending, directly or indirectly, to impede, obstruct or degrade the administration of justice, and they are hereby fined the sum of P1,000.00 each payable to this Court, with a warning that a repetition will merit them a graver penalty.
4. Ordering Civil Cases Nos. 3061 and 3072 pending in Branches IV and II respectively of the RTC of Agusan del Norte, Butuan City, consolidated with Civil Case No. 552 in Branch VI of the RTC of Prosperidad, Agusan del Sur, subject to jurisdictional requirements.
5. Finding (private respondent) and its officers not guilty of contempt of court.

The temporary restraining orders issued by the IAC on 13 and 26 June 1986 and 11 July 1986 are hereby lifted."

A motion for reconsideration was filed by KWIC, but the same was denied (Rollo, G.R. No. 80191, pp. 53-54). Hence, the instant petition of KWIC, was docketed as G.R. No. 79723. Lawyers Dolfuss Go and Salvador Ruiz, likewise, filed a petition, docketed as G.R. No. 80191. This Court consolidated the said two petitions (Rollo, G.R. No. 80191, p. 115).

This Court, after the required pleadings were submitted, gave due course to the petitions and required the parties to submit simultaneous memoranda (Ibid., p. 204). KWIC filed its Memorandum on July 3, 1990 (Rollo, G.R. No. 79723, pp. 758-815); while the two (2) lawyers filed their Memorandum on August 15, 1990 (Rollo, G.R. No. 80191, p. 254).

Meanwhile, in the consolidated cases, G.R. Nos. 67634, 73219 and 74815, the Third Division of this Court rendered its Decision on March 13, 1989 (Rollo, G.R. No. 79723, pp. 712-735).

KWIC raised six (6) issues, to wit:

- WHETHER OR NOT JUDICIAL RESOLUTIONS AND ORDERS OF THE HONORABLE RESPONDENT COURT OF APPEALS CAN BE DIRECTLY OR INDIRECTLY RENDERED NUGATORY BY THE SUBSEQUENT RESTRAINING ORDERS BY THE AGUSAN TRIAL COURTS;
- WHETHER OR NOT THE AGUSAN TRIAL COURTS HAVE JURISDICTION TO ENJOIN EXECUTION OF A FINAL JUDGMENT OF THE MANILA COURT, WHICH IS A CO-EQUAL AND COORDINATE BRANCH OF THE SAME TRIAL COURT;
- WHETHER OR NOT THE AGUSAN TRIAL COURTS HAVE JURISDICTION TO ORDER SEIZURE OF PROPERTY IN THE CUSTODIA LEGIS OF A COURT OF CO-EQUAL AND CO-ORDINATE JURISDICTION;
- WHETHER OR NOT THE HONORABLE COURT OF APPEALS CAN VALIDLY RENDER JUDGMENT CONSOLIDATING CASES CONSTITUTING "FORUM SHOPPING" INTO ONE VENUE, INSTEAD OF ORDERING THE DISMISSAL OF THE SAME AND GIVING DUE COURSE TO THE PETITION FOR CERTIORARI, PROHIBITION AND MANDAMUS;
- WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED IN RULING THAT ONLY ATTORNEYS DOLFUSS GO AND SALVADOR RUIZ ARE GUILTY OF CONTEMPT OF COURT AND THAT JUDGE ROSARIO DABALOS, SHERIFFS RECINO AND ANGCHANGCO AND AGUSAN WOOD AND STANDARD PLYWOOD OFFICERS SHOULD ALSO BE HELD GUILTY OF CONTEMPT; AND
- WHETHER OR NOT THE HONORABLE COURT OF APPEALS DID NOT ERR IN DENYING THE MOTION FOR INHIBITION OF HONORABLE ASSOCIATE JUSTICE LUIS A. JAVELLANA FROM ACTING ON OR PARTICIPATING IN THE CASE BELOW.

It will be observed that the March 13, 1989 decision of this Court in consolidated Cases G.R. Nos. 67634, 73219 and 74815 decided with finality the issue as to which of the logging corporations is entitled to the 5,950 hectare land concession area originally licensed in the name of Jose Briones, Jr.

The Court ruled among others: that the issue as to the validity of the November 24, 1980 letter-orders of the then Minister of Resources cannot be relitigated; that a final judgment of this Court cannot be altered or modified by the lower courts; and that this Court cannot reverse or set aside its own final and executory decisions simply because the Executive Department flip-flopped and arrived at new resolutions reversing their earlier decisions already brought before this Court and finally adjudicated. Accordingly, it ruled, among others, that the orders issued by the Regional Trial Court of Manila in Civil Case No. R-82-6372, the Regional Trial Court of Quezon City in Civil Case No. Q-32722 and the Regional Trial Court of Makati in Civil Case No. 11741 pursuant to the Mathay decision are reversed and set aside; and the Reyes decision is declared to be final and must prevail over the Mathay decision.

With that decision, there appears to be no necessity to discuss issues 1 to 4 and 6 of this petition.

As to the issue of contempt, it is well settled that no appeal lies from the acquittal in a criminal contempt (*Halili v. Court of Industrial Relations*, 136 SCRA 112 [1985]; *In re Mison, Jr. v. Subido*, 33 SCRA 30 [1970]). A criminal contempt is conduct directed against the authority and dignity of a court or of a judge, as in unlawfully assailing or discrediting the authority or dignity of the court or judge, or in doing a duly forbidden act. On the other hand, civil contempt is the failure to do something ordered to be done by a court or a judge for the benefit of the opposing party therein (*Halili v. Court of Industrial Relations*, 136 SCRA 112, 135 [1985]). There is no question, therefore, that Judge Rosarito F. Dabalos, sheriffs Remy Recino and Casiano Angchangco, Jr. and the AGWOOD officers were charged with criminal contempt and were acquitted. Such being the case, there is no appeal from

their acquittal.

On the other hand, as to the issue of whether or not respondent Court of Appeals erred in finding Attys. Dolfuss Go and Salvador Ruiz guilty of contempt of court, the answer is likewise in the negative.

The power to punish contempt is inherent in all courts and is essential to the preservation of order in judicial proceedings and to the enforcement of judgments, orders, and mandates of the court, and consequently, to the due administration of justice (*Halili v. Court of Industrial Relations*, 136 SCRA 112, 135 [1985]; citing the cases of *Slade Perkins v. Director of Prisons*, 58 Phil. 271; *In re Kelly*, 35 Phil. 944; *Commissioner of Immigration v. Cloribel*, 20 SCRA 1241; and *Montalban v. Canonoy*, 38 SCRA 1). Contempt of court is a defiance of the authority, justice or dignity of the court, such conduct as tends to bring the authority and administration of the law into disrespect or to interfere with or prejudice parties litigant or their witnesses during litigation. It is a disobedience to the court by setting up an opposition to its authority, justice and dignity. It signifies not only a willful disregard or disobedience of the court's orders but such conduct as tends to bring the authority of the court and the administration of law into disrepute or in some manner to impede the due administration of justice (*Rivera v. Florendo*, 144 SCRA 643, 662 [1986]; citing several cases). A lawyer who files multiple petitions may be held liable for willful violations of his duties as an attorney. The filing of multiple petitions constitutes abuse of the Court's processes and improper conduct that tends to impede, obstruct and degrade the due administration of justice (*Heirs of Francisco Guballa, Sr. v. Court of Appeals*, 168 SCRA 518, 539 [1988]; citing the case of *Gabriel v. Court of Appeals*, 72 SCRA 275). Claim of good faith, alone, is not enough to be exonerated from contempt (*Halili v. Court of Industrial Relations*, 140 SCRA 73 [1985]).

Anent the claim that they were denied due process since the requirements of Rule 71 of the Rules of Court were not complied with, the same is untenable. It has been held that to comply with the procedural requirements of indirect contempt, there must be (1) complaint in writing which may either be a motion for contempt filed by a party or an order issued by the court requiring a person to appear and explain his conduct; and (2) an opportunity for the person charged to appear and explain his conduct (*Geronimo v. Ramos*, 136 SCRA 435, 443 [1985]). In the instant case, these requirements were complied with. Records show that a motion for contempt was filed by KWIC and the parties were asked to "show cause" why they should not be punished for contempt. In fact, they even filed an "opposition to motion for contempt".

PREMISES CONSIDERED, the questioned decision of the Court of Appeals is AFFIRMED.

**SO ORDERED.**

Melencio-Herrera, (Chairman), Padilla, Sarmiento, and Regalado, JJ., concur.

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[1] Penned by Justice Luis Javellana with Justices Minerva Reyes and Bonifacio Cacdac, Jr., concurring.

[2] J. Luis Javellana, ponente with Justices Celso Magsino and Bonifacio Cacdac, Jr., concurring.

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