

**FIRST GENERAL MARKETING CORPORATION AND/OR JOSE UY,
PETITIONERS, VS. NATIONAL LABOR RELATIONS COM-MISSION
(FIRST DIVISION), ADELAIDA SAN MIGUEL, MARY ESCALADA,
ANECITA DIZON, LU...**

G.R. No. 97835. June 14, 1993

Ponente: GRIÑO-AQUINO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-97835/>

GRIÑO-AQUINO, J.:

This petition for certiorari seeks to review the decision dated November 22, 1990 of the respondent, National Labor Relations Commission (NLRC), in NLRC NCR Case No. 00-12-05131-88 which reversed the decision dated August 7, 1989 of the Labor Arbiter.

Jose Uy owned and controlled three (3) garment companies, namely Paramount Gloves Phils., Inc., State Garment Company, and First General Marketing Corporation (FGMC). In March, 1988, the Paramount and FGMC were merged to enable Uy to meet the rising volume of purchase orders and export demands.

By agreement dated March 16, 1988 between Jose Uy and ANGLO (Alliance of Nationalist and Genuine Labor Organizations), the workers of Paramount were absorbed by FGMC. The private respondents, who were regular cutters at Paramount, were assigned as "temporary trim-mers" in FGMC's finishing section. Later, Uy asked them to sign probationary contracts with FGMC either as sewers or cutters, to exclude them from the new company's bargaining unit.

On November 21, 1988, they were discharged without notice. On December 15, 1988, they filed a complaint against FGMC and Uy for illegal dismissal (NLRC NCR Case No. 00-12-05131-88).

On August 7, 1989, Labor Arbiter Donato Quinto rendered a decision dismissing the complaint on the ground that when the complainants were required to work with respondent FGMC as temporary trimmers, they knew that their hiring was seasonal in character, hence, it could not ripen into permanent or regular employment.

On appeal to the NLRC, the Commission on November 22, 1990, reversed the Labor Arbiter. It held that the merger agreement compelled the respondents, FGMC and Uy, to respect the permanent status of the complainants. They could not be dismissed without cause. The seasonal demand of respondents for workers was not a lawful cause to dismiss the complainants who have always been considered permanent, rather than seasonal, workers at Paramount. The respondents were directed to reinstate them to their former positions with full backwages.

FGMC and/or Jose Uy filed the present petition for certiorari with a prayer for the issuance of a preliminary injunction, to restrain the enforcement and/or implementation of the questioned NLRC decision and its resolutions. The petition alleged that:

1. there was neither testimonial nor documentary evidence proving the private respondents' allegation of

illegal dismissal; and

2. there was no violation of their right to due process.

Furthermore, Uy had already sold all his share holdings in FGMC two months before the contracts of the private respondents expired, hence, he had no privity with FGMC at the time the private respondents were terminated.

The petition has no merit.

The agreement between Jose Uy and ANGLO dated March 16, 1988 clearly stated that:

"Seksyon 1. Na ang kumpanya at ang Unyon ay nagkasundo na ang mga Manggagawa sa Tri-Star na ang mga pangalan ay nakalaki sa kasunduang ito at lahat ng manggagawa ng PARAMOUNT GLOVES PHILS., INC. ay sasaklawin at mapapasailalim bilang mga regular na Manggagawa sa FIRST GENERAL MARKETING at kasapi ng Unyon sa ilalim ng ANGLO. (Inter-pretation: That the company and the union agree that the workers of Tri-Star whose names are attached to this agreement and all workers of PARAMOUNT GLOVES PHILS., INC. will be covered and will fall under regular employees of FIRST GENERAL MARKETING and members of the union under ANGLO.)

"Seksyon 2. Benepisyo - Lahat ng mga benepisyo na matatanggap ng mga Manggagawa sa kanikaniyang dating Pabrika ay ipagpapatuloy at ang mga benepisyo na nakuha sa CBA ng FIRST GENERAL MARKETING ay ibibi-gay, at tatamasahin ng mga Manggagawa na masasaklaw." (All of the benefits to be received by the workers from their respective companies shall continue and the benefits derived from the CBA of FIRST GENERAL MARKETING shall be given and enjoyed by the covered workers - translation ours.)

Jose Uy signed the agreement as President and General Manager of both Paramount Gloves Phils. Inc. and FGMC. Therefore, he is estopped from disclaiming any liability under it. The probationary employment contracts which the private respondents were made to sign on May 23, 1988, a week after the execution of the merger agreement on March 16, 1988, violated the terms of the merger agreement and the employees' right to security of tenure.

WHEREFORE, finding no grave abuse of discretion in the decision of the National Labor Relations Commission, the petition for certiorari is DISMISSED. Costs against the petitioners.

SO ORDERED.

Cruz, (Chairman), Bellosillo, and Quason, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.