

ALFONSO O. ALEJANDRO, PETITIONER, VS. THE HONORABLE COURT OF APPEALS, JOSE MADULID, SR., AND EFREN MADULID, RESPONDENTS.

G.R. Nos. 84572-73. November 27, 1990

Ponente: SARMIENTO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-nos-84572-73/>

SARMIENTO, J.:

This is a petition for review of the Decision of the Court of Appeals and its Resolution denying reconsideration, dated February 22, 1988 and August 3, 1988, respectively, in CA-G.R. CV Nos. 10016-10017. The dispositive part of the said decision states:

WHEREFORE, the judgment appealed from is hereby REVERSED and SET ASIDE in that -

(a) In Civil Case No. C-5017 (sic), appellee should be, as he is hereby, ordered to pay his unpaid balance of P40,815.60 as of August 25, 1976, with stipulated interest of 12% per annum from that date until fully paid.

(b) Civil Case No. C-6263 is hereby dismissed for lack of merit.

(c) Appellants' counterclaim in both cases are likewise dismissed for lack of merit.

Without pronouncements as to costs.

SO ORDERED.[1]

The records of the case and the evidence adduced by the parties show the following facts:

The private respondents Jose and Efren Madulid, father and son, respectively, are engaged in the manufacture and sale of hog and poultry feeds under their business name, Grace Park Poultry Supply and Hi-Grade Feeds. On March 3, 1975, the private respondents offered to supply petitioner Alejandro feed formulations for "Brood Sow," "Hog Starter," and "Pre-Starter" for the exclusive use in petitioner's piggery farm in Cabiao, Nueva Ecija.[2] The petitioner claims that the private respondents used the term "custom-formulated" to describe the feeds.[3] When Alejandro agreed to the formulae, the private respondents began supplying and delivering the hog feeds to the petitioner at his Cabiao piggery farm, on a 30-day credit at 12% interest per annum.[4]

Alejandro averred that he started having problems with his hogs in 1976 to which his veterinarian eventually diagnosed and described as poor litter yield; scouring and mortality in the suckling piglets; scouring, mortality, and stunting of growth in the weanling and growing piglets; occasional scouring and stunting or growth in the fatteners; and scouring and poor response to medication--and which he ascribed to "severe nutritional deficiency" after an autopsy of eight (8) specimen pigs consisting of three (3) sows and five (5) weanlings.[5]

In July, 1976, Alejandro submitted samples of the three (3) kinds of hog feeds--known as "Brood Sow", "Hog Starter," and "Hog Pre-Starter" -- to the Laboratory Division of the Bureau of Animal Industry (BAI, for short) for chemical analysis and microscopic examination.

On or about August 27, 1976, petitioner Alejandro received the laboratory reports from the BAI and it seemed to him that the microscopic findings showed the presence of ground rice hulls--an adulterant--and a number of unauthorized ingredients as well as the absence of major ingredients like rice bran and certain corn preparations.[6]

Shocked at these findings, he blamed private respondents' deliveries to be the cause of the collapse of his piggery business. He then refused to pay for certain deliveries whose covering invoices had remained unpaid as of the time he read the BAI laboratory reports at the end of August, 1976.[7]

As of August 25, 1976, when the last delivery was made, the petitioner had an unpaid balance of P40,815.60. The private respondents made repeated demands on Alejandro but he refused to pay the said balance.[8] This caused the filing of Civil Case No. C-5071 on October 4, 1976 in the then Court of First Instance of Rizal at Caloocan City, by respondent Jose Madulid, Sr., as owner of Grace Park Poultry Supply, seeking to recover from petitioner Alejandro the aforesaid unpaid balance as of August 25, 1976 for five (5) deliveries of custom-formulated hog feeds, with 12% interest per annum and attorney's fees at 25% of the amount involved.

About the same time, the petitioner filed a damage suit against the private respondents for selling to him hog feeds of allegedly inferior quality before the then Court of First Instance of Nueva Ecija docketed as Civil Case No. 972. However, this case was dismissed for improper venue on April 15, 1978.[9]

On April 12, 1977, both private respondents Jose Madulid, Sr. and Efren Madulid filed Civil Case No. C-6263 against the petitioner. Father and son, as owner and manager, respectively, of Grace Park Poultry Supply, claimed that they suffered from besmirched reputation, mental anguish, and serious anxiety as a result of the baseless and malicious filing of civil and criminal suits by petitioner Alejandro in Nueva Ecija including an administrative case with the Bureau of Animal Industry. They sought to collect an aggregate amount of P395,000.00.[10]

The petitioner in both complaints filed against him in Caloocan City denies liability. Alejandro pleaded counterclaims for damages in several amounts allegedly resulting from adulteration of the hog feeds, particularly the sum of P150,000.00 as actual damages in the form of losses, of P550,000.00 as moral and exemplary damages, and of 30% of total damages as attorney's fees.[11]

Before the joint trial of the two cases, the parties agreed to a partial stipulation of facts, incorporated in a joint manifestation, a pertinent portion of which is reproduced as follows:

xxx xxx xxx

10. That on May 13, 1977, plaintiff Efren Madulid (private respondent before us) filed an administrative complaint against defendant (the petitioner before us) with the Civil Service Commission, copy of said letter-complaint is hereto attached as Annex "J".

11. That on January 16, 1978, herein defendant (petitioner) filed with the Bureau of Animal Industry an administrative complaint against herein plaintiffs (private respondents), copy of which is hereto attached as Annex "K".

12. That under date of May 24, 1978, a Memorandum was issued by a special investigating committee of the said Bureau, recommending to the Bureau Director, Dr. Salvador H. Escudero III, the dismissal of herein defendant's (petitioner's) administrative complaint, by a 1st Indorsement dated May 31, 1978, the Chief of the Animal Feed Control Division forwarded said Memorandum to Director Escudero, who in turn approved the same, copies of said committee memorandum, 1st Indorsement and approval are hereto attached as Annexes "L" and "L-1".

13. That on August 17, 1978, defendant (petitioner) herein filed with the Bureau of Animal Industry a

letter-Motion for Reconsideration dated August 15, 1978, copy thereof is hereto attached as Annex "M".

14. That by letter dated August 21, 1978, Director Escudero denied said Motion for Reconsideration, said letter is hereto attached as Annex "N";

15. That on September 5, 1978, herein defendant (petitioner) filed a second letter-motion for reconsideration with the Bureau of Animal Industry, copy of which is hereto attached as Annex "O" and the accompanying supporting affidavit as Annex "O-1".[12]

xxx xxx xxx

After trial, the lower court rendered a decision, dated November 14, 1985, in favor of the petitioner, its dispositive part is recited as follows:

WHEREFORE, judgment is rendered dismissing the complaints in both cases, and ordering the plaintiffs, jointly and severally, to pay the defendant on his counterclaim the sum of Four Hundred Fifty-Five Thousand Six Hundred Seventy-Nine pesos and Sixty centavos (P455,679.60) as actual damages (but deducting therefrom the sum of Forty Thousand Eight Hundred Fifteen Pesos and Sixty Centavos (P40,815.60); Fifty Thousand (P50,000.00) Pesos as moral damages, attorney's fees in the amount of Thirty Thousand (P30,000.00) Pesos and to pay the costs.[13]

The private respondents questioned the trial court's decision before the respondent appellate court. The latter reversed the lower court's ruling and decided favorably for the private respondents.

Hence, this petition.

The petitioner has assigned the following as errors committed by the Court of Appeals:

1. IN BLINDLY HOLDING ITSELF BOUND BY AN ADMINISTRATIVE DECISION WHICH WAS PATENTLY VOID, THE TRIAL COURT HAVING EXPRESSLY FOUND IT TO HAVE BEEN ISSUED WITHOUT A HEARING, VIOLATED PETITIONER'S RIGHT TO PRESENT EVIDENCE, AND CONTAINED FINDINGS WHICH WERE PREMATURE AND BEREFT OF EVIDENTIARY SUPPORT;
2. IN OVERTURNING THE TRIAL COURT'S PIVOTAL FINDING OF ADULTERATION BY IMPLIEDLY REJECTING THE SCIENTIFIC FACT OR PRINCIPLE RELIED UPON BY SAID COURT AND NEVER REBUTTED OR SHOWN TO BE INAPPLICABLE;
3. IN FAILING OR REFUSING TO MAKE ITS OWN INDEPENDENT EVALUATION OF THE EVIDENCE VIS-A-VIS THAT MADE BY THE TRIAL COURT, RESULTING IN THE MAKING OF A CRUCIAL FACTUAL FINDING CONTRARY TO THE EVIDENCE; and
4. IN DISMISSING PETITIONER'S COUNTERCLAIMS AND IMPOSING THE OBLIGATION TO PAY INTEREST.[14]

Weighing carefully the merits of the presentations of both parties, we find for the private respondents and, thus, we affirm the assailed decision of respondent appellate court.

The first assignment of error, we find to be devoid of merit. We can not agree with the submission of the petitioner that the administrative decision of the Bureau of Animal Industry (BAI, for short) relied upon by the public respondent was patently void.[15] The petitioner avers that:

xxx xxx xxx

The pivotal factual finding upon which the trial Court's decision (Annex "A") turned was that the hog feeds in

question were adulterated due to (a) the presence of rice hulls, (b) the presence of unauthorized ingredients, and (c) the absence of major ingredients called for by the formulae.

x x x Instead of rice bran which was called for by the formulae, the trial court found that "corn bran was substituted for it, along with other unauthorized ingredients like sorghum, sunflower and soy hulls" (p. 8, Annex "A"). The presence of these unauthorized ingredients "rendered the mixture an adulterated feed within the meaning of Adm. Order No. 35," said the trial court (p. 8, Annex "A").

This crucial, pivotal finding was scuttled by respondent Court on appeal--by the simple expedient of holding that the order of the BAI* Special Investigating Committee, adverted to above, "is binding upon this Court." (CA Decision, Annex "B", p. 9).[16]

xxx xxx xxx

This assailed order of the BAI Special Investigating Committee was born out of an administrative complaint, dated January 16, 1978, filed by the petitioner against the private respondents. The Special Investigating Committee was composed of Atty. Nestor F. Borbon, then Legal Officer of the Bureau, Dr. Armando E. Baladad, then President of the Poultry Association of the Philippines, and Mrs. Soledad Agbayani, then President of the Swine Raisers Association of the Philippines.[17] This committee, thru a memorandum dated May 24, 1978, recommended to the then bureau director, Dr. Salvador A. Escudero III, now Congressman and Minority Leader in the House of Representatives, the dismissal of the complaint. The memorandum was forwarded to said bureau director by the Chief of the Animal Feed Control Division under a 1st Indorsement, dated May 31, 1978, Director Escudero duly approved the report and the findings therein including the action of dismissal ordered. A significant portion of this order of dismissal asseverates:

x x x the documentary evidences submitted by complainant (petitioner herein) from Annexes A to E attached to the letter-complaint earlier mentioned indicate that respondents' mixtures of custom-mixed feeds did not and do not violate standards formulated and issued according to rules and regulations of the BAI. x x x. The presence of traces of rice hull, sunflower, sorghum as reported by Laboratory Services Division of the BAI did not contribute to the damage suffered by the animals. x x x x"[18]

The petitioner's motion for reconsideration of the said order of dismissal was denied on August 17, 1978 by Director Escudero. The petitioner filed a second motion for reconsideration on September 5, 1978. Then Agriculture Minister Arturo Tanco granted the same and ordered a reinvestigation to allow presentation of testimonial and documentary evidence. The petitioner did not avail of this opportunity and did not adduce additional evidence even after six (6) years. Thus, the new Department of Agriculture and Food, on July 14, 1987, dismissed the case. This order became final as it was never elevated to the Office of the President for review.[19]

As held by the appellate court, we deem the factual findings and conclusions made by the administrative body, the Bureau of Animal Industry, that the controversial hog feeds "did not and do not violate standards formulated and issued according to the rules and regulations of the BAI" and that the "presence of traces of rice hulls, sunflowers, sorghum as reported by Laboratory Services Division of the BAI did not contribute to the damages suffered by the animals." [20] to be more convincing than the testimonies of the two veterinarians presented by the petitioner in the lower court. These two veterinarians have not demonstrated any proficiency, much less expertise, in microscopic examination and chemical analysis, the two fields of discipline essential to the proper determination of the presence or absence of adulterants in animal feeds.

The general rule is that the findings of facts of quasi-judicial agencies which have acquired expertise because their jurisdiction is confined to specific matters, are accorded not only respect but at times even finality.[21] In this era

of clogged court dockets, the need for specialized administrative boards or commissions with the special knowledge, experience, and capability to hear and determine promptly disputes on technical questions or essentially factual matters, subject to judicial review in case of grave abuse of discretion, has become indispensable.[22]

The petitioner should have diligently pursued his administrative complaint to the hilt[23] in order to adduce evidence in his favor not only to give the administrative agency the opportunity to decide the controversy by itself correctly, but also to prevent unnecessary and premature resort to the courts. As a matter of fact, it was the petitioner himself who commenced the administrative complaint but he gave his reason that he already had several legal battlefronts (civil and criminal) to contend with the private respondent, so, he decided to concentrate on the cases in the judicial courts. The petitioner felt that anyway, the administrative case with BAI did not offer him financial relief even if he won the case.[24]

Perhaps that is so but we find the findings of the BAI to be very persuasive in weighing the case at bar because it is the agency which is equipped with the proper technical competence to decide the controversy. The petitioner could have presented his expert witnesses, the two veterinarians, in the administrative case wherein they could have been heard properly by men who are also authorities in the subject of animal feeds. "(I)nvariable is the rule that in reviewing administrative decisions of the Executive Branch of the government, the findings of fact made therein must be respected, as long as they are supported by substantial evidence, even if not overwhelming or preponderant, (*Ang Tibay vs. Court of Industrial Relations*, 69 Phil. 635 [1940]); that it is not for the reviewing court to weigh the conflicting evidence, determine the credibility of the witnesses, or otherwise substitute its own judgment for that of the administrative agency on the sufficiency of the evidence, (*Lao Tang Bun, et al. vs. Fabre*, 81 Phil. 682 [1948]); that the administrative decision in matters within the executive jurisdiction can only be set aside on proof of gross abuse of discretion, fraud or error of law (*Lovina vs. Moreno*, L-17821, November 29, 1963, 9 SCRA 557; *Timbancaya vs. Vicente*, L-19100, December 27, 1963, 9 SCRA 852), which we find absent herein." [25]

"The principle is well-settled that the findings of administrative agencies which have acquired expertise because their jurisdiction is confined to specific matters, are generally accorded not only respect but even finality. Judicial review of such cases by the Supreme Court does not go as far as evaluating the evidence as the basis of their determinations, but is confined to issues of jurisdiction or grave abuse of discretion (*Philippine Overseas Drilling and Oil Development Corp. v. Ministry of Labor*, 146 SCRA 80 [1986]; *Rosario Bros., Inc. v. Ople*, 131 SCRA 72, 80 [1984]; *Special Events & Central Shipping Office Workers Union v. San Miguel Corp.*, 122 SCRA 557, 568-569 [1983]; *Franklin Baker Co. of the Phil. v. Trajano*, 157 SCRA 417 [1988])." [26]

Neither is there merit in the petitioner's invocation of due process. His complaint that the BAI did not notify him of the hearings during the course of the administrative proceedings has no basis. On the contrary, the petitioner himself orally made representation upon which the BAI officials relied that he was submitting his evidence (including the feed analysis) for decision and that he had indeed been informed of the proceedings.[27] At any rate, as already mentioned, he filed two motions for reconsideration which were both denied and after which he appealed to the Secretary of Agriculture which he (petitioner) practically abandoned because he did not pursue the said appeal. "To be heard does not only mean verbal arguments in court, it can be either through oral presentations or written pleadings. "Due process is not semper et ubique judicial process. It is not de riguer trial." [28]

We likewise hold the second, third, and logically the fourth, assignments of error to be without merit.

Much as petitioner urges us that the testimonies of his veterinarian witnesses, Dr. Lomingkit and Marcial E. Ramos be given weight, we can not see our way clear to repudiating the findings made by the BAI.

Dr. Lomingkit "testified that on the basis of his interpretation of the microscopic analysis report of the BAI, the hog feeds were adulterated since some of the ingredients in the agreed formulae were substituted with other ingredients. Dr. Lomingkit subscribed to the definition of 'adulterated feeds' under BAI Administrative Order No. 35 as any 'mixed feeds, feedstuffs or ingredients found to contain any material that may be injurious, damaged or of no feed value or if any substance has been added thereto that may increase its bulk or weight and/or may reduce its quality or strength.'"[29]

The other witness, veterinarian Marcial E. Ramos, declared that in BAI laboratory examinations of feed samples, the presence of the feeds manufacturer or his representative was not required when an end-user voluntarily submitted properly sealed samples to the BAI.[30]

Nevertheless, we are persuaded by the concluding statement contained in the memorandum report of the special committee created by the BAI director which declared that:

xxx xxx xxx

x x x Furthermore, the documentary evidences submitted by complainant from Annexes A to E attached to the letter-complaint earlier mentioned indicate that respondents' mixtures of custom-mixed feeds did not and do not violate standards formulated and issued according to rules and regulations of the BAI. (Please see General Memorandum Order No. 1, series of 1975.) The presence of traces of rice hull, sunflower, sorghum as reported by the Laboratory Services Division of the BAI did not contribute to the damage suffered by the animals. There being no other evidence to prove firstly, violation of the rules and regulations of the BAI and secondly, damages to the piggery of complainant that may be attributable to the fault of respondents, the committee hereby recommends the dismissal of the administrative charge against the respondents x x x."32

This unanimous recommendation was approved by the BAI director. As earlier and repeatedly adverted to, two motions for reconsideration were denied and the appeal to the Secretary of Agriculture was also dismissed. We find no reason not to accord this final decision of the Bureau of Animal Industry, the same respect we have invariably given to administrative decisions within the executive jurisdiction.

WHEREFORE, the petition is DENIED and the decision appealed from is hereby AFFIRMED in toto with costs against the petitioner.

SO ORDERED.

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

[1] *Madulid vs. Alejandro*, CA-G.R. CV Nos. 10016-10017, promulgated on February 22, 1988; Tensuan, Ricardo P., J. ponente; Victoriano, Oscar R. and Aldecoa, Venancio D., Jr., JJ., Concurring; rollo. 43.

[2] *Id.*, 37.

[3] *Petition*, 4; *id.*, 5.

[4] *Id.*, 37.

[5] *Id.*, 5.

[6] *Id.*

[7] *Id.*, 6.

[8] Id.

[9] Id

[10] Id., 38.

[11] Id., 34.

[12] Decision of Regional Trial Court Judge Salvador J. Baylen, National Capital Region, Branch CXXI, Caloocan City, 3; id., 23.

[13] Id., 33.

[14] Petition, 7; id., 8.

[15] Petition, 8; id, 9.

* Bureau of Animal Industry.

[16] Id.

[17] Id., 146.

[18] Id., 151.

[19] Id., 41.

[20] Id.

[21] Dangan vs. NLRC, Nos. 63127-28, promulgated on February 20, 1984, 127 SCRA 706; Special Events & Central Shipping Office Workers Union vs. SMC, Nos. 51002-06, promulgated on May 30, 1983. 122 SCRA 557; Phil. Labor Alliance Council vs. Bureau of Labor Relations, No. L-41288, promulgated on January 31, 1977, 75 SCRA 162.

[22] Qualitrans Limousine Service. Inc. v. Royal Class Limousine Service, G.R. 79886-79887, promulgated on November 22, 1989.

[23] Gonzales vs. Secretary of Education, No. L-18496, promulgated on July 30, 1962, 5 SCRA 657.

[24] Reply to Private Respondents' Comment, 9-10; rollo, 111-112.

[25] Assistant Executive Secretary for Legal Affairs, et al. vs. Court of Appeals, G.R. No. 76761, promulgated on January 9, 1989, 169 SCRA 27, 36-37; Doruelo vs. Ministry of National Defense, G.R. No. 51214, promulgated on January 16, 1989, 169 SCRA 448.

[26] Reyes vs. Minister of Labor, G.R. No. 48708, promulgated on February 9, 1989, 170 SCRA 134; Johnson and Johnson Labor Union vs. Director of Labor Relations, G.R. No. 76427, promulgated on February 21, 1989, 170 SCRA 469.

[27] Rollo, 80.

[28] Yap Say vs. IAC, No. 73457, promulgated on March 28, 1988, 159 SCRA 325.

[29] Rollo, 39.

[30] Id.

32 Rollo, 151-152.

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.