

Title

Solomon Boysaw and Alfredo M. Yulo, Jr. vs. Interphil Promotions, Inc., Lope Sarreal, Sr., and Manuel Nieto, Jr.

Facts

Solomon Boysaw, a boxer, and his initial manager, Willie Ketchum, entered into a contract with Interphil Promotions, Inc., represented by Lope Sarreal, Sr., on May 1, 1961. This contract provided for Boysaw to fight Gabriel “Flash” Elorde for the junior lightweight championship of the world at the Rizal Memorial Stadium in Manila by September 30, 1961, or within thirty days thereafter under mutually agreed terms of postponement. This agreement stipulated that Boysaw would not engage in any other boxing contest prior to this event without Interphil’s written consent.

However, Boysaw violated this agreement by fighting Louis Avila in an unauthorized bout in Las Vegas on June 19, 1961. Subsequently, managerial rights over Boysaw were transferred twice without Interphil’s consent: first, from Ketchum to J. Amado Araneta on July 2, 1961, and then from Araneta to Alfredo M. Yulo, Jr. on September 1, 1961. Despite these managerial changes, Yulo Jr., representing Boysaw, expressed readiness to comply with the original boxing contract.

Disagreements arose concerning the managerial changes and the proposed bout’s scheduling. Despite the initial agreement setting the fight for September 30, 1961, the fight’s date was postponed to November 4, 1961, due to Elorde’s injury and subsequent negotiations. Boysaw and Yulo, Jr. sued Interphil, Sarreal, Sr., and Nieto, Jr. for alleged breaches of contract.

The procedural pathway to the Supreme Court involved multiple denials of motions for postponement and reconsideration by the plaintiffs, presenting their case as deemed by the trial court, and eventual appeal based on the assignment of errors perceived in the trial court’s rulings.

Issues

1. Did Boysaw’s participation in the unauthorized fight violate the May 1, 1961, contract, and who was guilty of the contract violation?
2. Was the postponement of the fight date legally justified?
3. Did the lower court err in refusing a trial postponement on July 23, 1963?
4. Was the denial of the plaintiffs’ motion for a new trial by the lower court erroneous?

5. Were the damages awarded to the appellees excessive or unfounded?

Court's Decision

1. **Contract Violation** - The Supreme Court found Boysaw himself violated the contract by engaging in an unauthorized fight, thereby allowing Interphil the option to rescind the contract. The assignment of managerial rights without Interphil's consent presented further violations.
2. **Postponement Justification** - The postponement to November 4, 1961, was deemed justified due to Elorde's injury and reasonable under the circumstances, considering the contract violations by Boysaw and managerial changes.
3. **Refusal of Trial Postponement** - The refusal to postpone the trial was not found erroneous, as a previous petition related to this matter (G.R. No. L-21506) was dismissed, rendering the issue moot.
4. **Denial of New Trial** - The denial of a new trial was upheld since the newly discovered evidence (clearances for Boysaw's travel) wouldn't have significantly altered the outcome of the case.
5. **Damages Award** - The award of actual and attorney's fees to appellees was upheld citing sufficient evidence. However, the Court deleted the award for moral damages, finding no legal basis under Article 2219 of the Civil Code.

Doctrine

This case reiterates the principle that breaches in contracts carry actionable injuries, and parties cannot breach contracts with impunity. Furthermore, it underscores the significance of mutual consent in contract alterations, and the permissible scope of rearrangements under reciprocal obligations.

Class Notes

1. **Reciprocal Obligations and Breach** - A party cannot insist on the performance of a contract or recover damages for its breach if they themselves have not fulfilled their obligations.
2. **Novation** - Any assignment of rights or delegation of duties under a contract requires the consent of all parties, especially in case of substituting parties.
3. **Damages for Contract Breach** - A party breaching a contract may be liable for actual damages, attorney's fees, but not necessarily for moral damages unless the situation falls

under specifically enumerated instances in Article 2219 of the Civil Code.

4. **Role of Regulatory Authority** - The regulatory authority's (GAB's) decisions, in this context, were validated given its jurisdiction over boxing contests.

Historical Background

This case encapsulates the legal intricacies involved in the international boxing industry during the early 1960s in the Philippines, highlighting the tension between contractual fidelity and the practicalities of sports management. It demonstrates the judiciary's role in mediating disputes arising from the intersection of sports regulations, contractual obligations, and personal and professional relationships within the context of international sports promotions.