



Republic of the Philippines
Supreme Court
 Manila

SUPREME COURT OF THE PHILIPPINES
 PUBLIC INFORMATION OFFICE

RECEIVED
 MAY 23 2022
 BY: JAN
 TIME: 3:27

SECOND DIVISION

**COCA-COLA FEMSA
 PHILIPPINES, INC. (now COCA-
 COLA BEVERAGES
 PHILIPPINES, INC.),**
Petitioner,

G.R. No. 238633

Present:

- versus -

PERLAS-BERNABE,* *S.A.J.*,
 HERNANDO,**
Acting Chairperson,
 INTING,
 GAERLAN, and
 DIMAAMPAO, *JJ.*

**COCA-COLA FEMSA PHILS.,
 MOP MANUFACTURING UNIT
 COORDINATORS AND
 SUPERVISORS UNION – ALL
 WORKERS ALLIANCE TRADE
 UNIONS (CCFP-MMUCSU-
 AWATU),**
Respondent.

Promulgated:

NOV 17 2021

X-----

X

DECISION

GAERLAN, J.:

The present petition for review on *certiorari*¹ assails the November 22, 2017 Decision² and the March 26, 2018³ Resolution of the Court of Appeals (CA) in CA-G.R. SP No. 07723-MIN, which dismissed the petition for *certiorari* filed by Coca-Cola FEMSA Philippines, Inc. (CCPI) against the August 18, 2016 Order⁴ of Circuit Mediator-Arbitrator Erwin C. Angeles, which in turn granted the petition for certification election filed by Coca-Cola FEMSA Phils., MOP Manufacturing Unit Coordinators and Supervisors Union–All Workers Alliance Trade Unions (the Union).

CCPI is a corporation engaged in the manufacture and sale of non-alcoholic beverages;⁵ while the Union is a legitimate labor organization which

* On official leave.

** Designated Acting Chairperson per Special Order No. 2855 dated November 10, 2021.

¹ *Rollo*, pp. 9-35.

² *Id.* at 44-51. 21st Division composed of Associate Justices Oscar V. Badelles (*ponente*), Romulo V. Borja (now retired), and Ruben Reynaldo G. Roxas.

³ *Id.* at 52-53. Former 21st Division composed of Associate Justices Oscar V. Badelles (*ponente*), Romulo V. Borja (now retired), and Ruben Reynaldo G. Roxas.

⁴ *Id.* at 182-184.

⁵ *Id.* at 11.

represents the regular coordination and supervisory employees of CCPI's Misamis Oriental plant.⁶

On July 11, 2016, the Union filed a petition for certification election⁷ with the Regional Office X of the Department of Labor and Employment (DOLE), alleging *inter alia* that: 1) the regular coordinator and supervisor employees of CCPI's Misamis Oriental plant comprise an appropriate bargaining unit;⁸ 2) said bargaining unit is unorganized;⁹ 3) 26 of the 39 members of the bargaining unit are members of the Union;¹⁰ and 4) no certification election has been conducted in the bargaining unit for 12 months prior to the filing of the petition.¹¹ The regional Med-Arbitrator (MA) summoned the parties to a preliminary conference.¹² CCPI, which was impleaded as the respondent-employer, sought leave to comment on the petition, which the MA granted.¹³

In its comment,¹⁴ CCPI argued that the employees in the bargaining unit sought to be represented by the Union—who have the following job titles: Line Production Supervisor, Production Process Coordinator, Maintenance Planning Coordinator, Line Production Coordinator, Line Maintenance Coordinator, Maintenance Supervisor, Auxiliary Maintenance Supervisor, Line Quality Supervisor, Process Integrity Coordinator, Quality Process Coordinator, Quality Assurance Coordinator, Warehouse Coordinator, Warehouse Supervisor, and Preventive Maintenance Supervisor—are not eligible to organize themselves for the purpose of collective bargaining, because they are managerial employees who have the power not only to lay down and execute management policies but also to hire, transfer, suspend, layoff, recall, discharge, assign or discipline employees.¹⁵

The Union replied¹⁶ that under Article 271¹⁷ of the Labor Code, CCPI had no right to oppose the certification election. As regards the eligibility of the bargaining unit members to organize for collective bargaining, the Union cited a January 26, 2016 Decision¹⁸ of the Secretary of Labor and Employment (SOLE) which ruled that similarly situated employees of CCPI's Canlubang, Laguna plant were supervisory employees. Furthermore, the employees in the

⁶ Id. at 54.

⁷ Id. at 319-320.

⁸ Id. at 319.

⁹ Id. at 320.

¹⁰ Id.

¹¹ Id.

¹² Id. at 45.

¹³ Id.

¹⁴ Id. at 59-63.

¹⁵ Id. at 60-62.

¹⁶ Id. at 171-174.

¹⁷ Formerly Article 258-A.

¹⁸ *Rollo*, pp. 175-178.

bargaining unit only have recommendatory authority as regards managerial actions; and they report to the following managerial employees: Production Maintenance Manager, Manufacturing Executive, Quality Assurance Head, and Quality Head.¹⁹

As mentioned earlier, the MA granted the Union's petition, on the following grounds:

Being similarly situated, this Office takes administrative notice of the case, in re: Petition for Certification Election among the Regular Supervisory Employees (Manufacturing Unit) of Coca-Cola FEMSA Philippines, Inc. Canlubang Plant docketed as OS-A-37-12-15 (RO4A-LPO-CE-17-24-08-15). In the said case, the Office of the Secretary held that not[h]ing [i]n the records will support the conclusion that the members of USCC-AWATU are vested with managerial attributes. A reading of the job descriptions of the Production Supervisors, Line Quality Supervisors, Line Maintenance Supervisors, and Inbound-Outbound Supervisors, as well as the organizational chart, submitted in evidence by CCPI readily reveals that they are supervisory employees and not managerial employees. In fact, the four (4) categories of supervisors directly report to their respective Coordinators who in turn report to the Plant Manager, Quality Manager, Maintenance Head and Operations Head. They are not vested with powers or prerogatives to lay down and execute management policies but merely have the authority to effectively recommend managerial actions.

It is well to note that the issue of supervisors performing managerial functions decided in the previously mentioned case is the same issue being raised by Coca-Cola in this case. Thus, there is reason for this Office to divert or abandon such precedent pertaining to all supervisor employees of Coca-Cola.

This brings us to the issue of Coordinators. Nothing in their job descriptions vests them with the powers or prerogatives to lay down and execute management policies or to hire, transfer, suspend, layoff, recall, discharge, assign or discipline employee[s]. It must be established in clear and unequivocal terms that the Coordinators are indeed exercising managerial functions. Moreover, perusal of the Coca-Cola's Organizational Chart shows that these Coordinators report to the production Manager and other Managers. Also, Coca-Cola has not established substantial differences between the Coordinator and Supervisory employees of Coca-Cola in terms of their wage rates, hours of works [sic], working conditions and other subjects of collective bargaining for the coordinators to be excluded from the same bargaining unit with the supervisors.

In closing, let it be stressed that in certification election, the employer is a mere bystander with no concomitant right to oppose the same. The employer has no standing to question the election, which is the sole concern of the workers. The employer's participation in such proceedings shall be limited to: (1) being notified or informed of petitions of such nature; and (2)

¹⁹ Id. at 172-173.

4

submitting the list of employees during the pre-election conference should the Mediator-Arbitrator act favorably on the petition.²⁰

Aggrieved, CCPI assailed the MA's order via *certiorari* before the CA.²¹ The case was docketed as CA-G.R. SP No. 07723-MIN.

Meanwhile, in accordance with the MA's order, the certification election took place on October 14, 2016, under CCPI's protest.²² The DOLE Regional Election Officer denied CCPI's protest, and the votes were canvassed. The Union won the certification election; and on January 10, 2017, the MA certified the Union as the sole and exclusive bargaining agent of the regular supervisory and coordinator employees of CCPI's Misamis Oriental plant.²³ CCPI appealed the January 10, 2017 Order to the SOLE, on the ground that the certification election should not have taken place in view of the pendency of CCPI's petition in CA-G.R. SP No. 07723-MIN, and because two employees who were not part of the bargaining unit were allowed to vote.²⁴ On August 7, 2017, the SOLE issued a resolution denying CCPI's appeal.²⁵

In March 2017, while its petition for *certiorari* in CA-G.R. SP No. 07723-MIN was pending, CCPI reorganized the operations of the Misamis Oriental plant and abolished the positions held by the Union employees.²⁶ CCPI submitted in evidence notices of "internal movement" to 24 employees who were either supervisors or coordinators, whose job titles were changed to "heads" of various company operation areas.²⁷

Nevertheless, the CA rendered the assailed Decision dismissing CCPI's petition. The appellate court sustained the MA's finding that the employees sought to be represented by the Union were supervisory employees, for the following reasons: 1) based on their job descriptions, their main task is to direct the rank-and-file workers and ensure their compliance with ready-made policies and procedures; 2) they do not possess the distinctive characteristics of managerial employees as laid down in jurisprudence; 3) they report directly to the Plant Manager, Quality Manager, Maintenance Head, and Operations Head, respectively; and 4) they only make recommendations in employee disciplinary cases.²⁸ Finally, the CA pointed out that CCPI has no reason to deny the right to organize to its supervisory employees in the Misamis

²⁰ Id. at 183-184.

²¹ Petition for *Certiorari* dated October 13, 2016, Id. at 185-198.

²² Id. at 47.

²³ Id.

²⁴ Id. at 581.

²⁵ Id. at 578- 583. Signed by Secretary Silvestre H. Bello III.

²⁶ Id. at 434-447.

²⁷ Id. at 509-533.

²⁸ Id. at 49-50.

Oriental plant since it already granted the same right to the same class of employees in its Cebu, Tacloban, and Bacolod plants.²⁹

CCPI filed a motion for reconsideration,³⁰ which the CA denied in the assailed resolution. The CA ruled that the alleged reorganization did not change the status of the employees in the bargaining unit, noting that the changes in the employees' positions were "mere nomenclature."³¹

CCPI now comes before the Court, arguing: 1) that the MA and the CA erred in ruling that the employees in the bargaining unit represented by the Union are supervisory employees; and 2) that the CA erred when it refused to rule that the petition for certification election had been rendered moot and academic by the reorganization of the Misamis Oriental plant's manufacturing unit.³²

In its comment, the Union raises the threshold issue of forum shopping, alleging that CCPI's present petition failed to disclose the pendency of CA-G.R. SP No. 152835, wherein CCPI assailed the August 7, 2017 Resolution of the SOLE before the CA.³³ The Union argues that although CA-G.R. SP No. 152835 is directed at the MA's January 10, 2017 Order certifying the Union as the sole and exclusive bargaining agent, it nevertheless shares the same ultimate objective as the present petition, which is the defeat of the Union members' exercise of their rights to self-organization and collective bargaining.³⁴

CCPI denies committing forum shopping and argues that CA-G.R. SP No. 152835 arises from a different cause of action, since it assails the MA's *approval of the certification election results* despite the alleged irregularities attendant thereto; while the present petition (which arose from CA-G.R. SP No. 07723-MIN), assails the MA's *grant of the petition for certification election*.³⁵

Forum shopping is the repetitive availment of several judicial remedies in different courts, simultaneously or successively, all substantially founded on the same transactions and the same essential facts and circumstances, and all raising substantially the same issues either pending in or already resolved

²⁹ Id. at 50-51.

³⁰ Id. at 534-546.

³¹ Id. at 53.

³² Id. at 20-21.

³³ Id. at 563-564.

³⁴ Id.

³⁵ Id. at 611.

4

adversely by some other court.³⁶ Forum shopping is prohibited, for it may result in the “*rendition by two competent tribunals of two separate and contradictory decisions.*”³⁷ It also allows unscrupulous party litigants to take advantage of the variety of competent tribunals by repeatedly trying their luck in several different fora until a favorable result is reached,³⁸ thereby “*degrad[ing] the administration of justice, add[ing] to the already congested court dockets, and wreak[ing] havoc upon orderly judicial procedure.*”³⁹ Accordingly, forum shopping is a ground for the summary dismissal of *one, both or all* of the initiatory pleadings filed by the guilty party.⁴⁰

Jurisprudence lays down a three-fold test to determine forum shopping: the cases filed must have identity of parties, rights or causes of action, and reliefs sought.⁴¹ However, given its concept and nature, the ultimate standard in the determination of forum shopping is

the vexation caused the courts and parties-litigant by a party who asks different courts and/or administrative agencies to rule on the same or related causes and/or to grant the same or substantially the same reliefs, in the process creating the possibility of conflicting decisions being rendered by the different fora upon the same issue.⁴²

To prevent the practice, a certification against forum shopping is required for most initiatory pleadings.⁴³ With respect to petitions for review before the Supreme Court, Rule 45, Section 7 and Rule 42, Section 2 of the Rules of Court provide:

SECTION 4. Contents of Petition. — The petition shall be filed in eighteen (18) copies, with the original copy intended for the court being indicated as such by the petitioner, and shall x x x (e) contain a sworn certification against forum shopping as provided in the last paragraph of Section 2, Rule 42.

SECTION 2. Form and Contents. — x x x The petitioner shall also submit together with the petition a certification under oath that he has not theretofore commenced any other action **involving the same issues in the Supreme Court, the Court of Appeals or different divisions thereof**, or any other tribunal or agency; if there is such other action or proceeding, he must state the status of the same; and if he should thereafter learn that a

³⁶ *Reyes v. Elquiero*, G.R. No. 210487, September 2, 2020, quoting *Fontana Development Corp., et al. v. Vukasinovic*, 795 Phil. 913, 923 (2016).

³⁷ *Reyes v. Elquiero*, supra, quoting *Dy v. Mandy Commodities, Inc.*, 611 Phil. 74, 86 (2009).

³⁸ Id.

³⁹ *Argel v. Court of Appeals*, 374 Phil. 867-878 (1999).

⁴⁰ RULES OF COURT, Rule 7, Section 5; *Heirs of Mampo v. Morada*, G.R. No. 214526, November 3, 2020.

⁴¹ *Heirs of Mampo v. Morada*, supra, citing *Korea Exchange Bank v. Judge Gonzales*, 496 Phil. 127, 146 (2005).

⁴² *Zamora v. Quinan, et al.*, 821 Phil. 1009, 1019-1020 (2017). See also *Korea Exchange Bank v. Gonzales*, supra.

⁴³ *Spouses Carpio v. Rural Bank of Sto. Tomas (Batangas), Inc.*, 523 Phil. 158, 163 (2006).

similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, he undertakes to promptly inform the aforesaid courts and other tribunal or agency thereof within five (5) days therefrom. (Emphasis and underlining supplied)

Failure to comply with the foregoing rule is a sufficient ground for the dismissal of the petition;⁴⁴ however, such noncompliance is distinct from the *act* of forum shopping.⁴⁵

Applying the foregoing rules to the case at bar, we find that CCPI is guilty of forum shopping and of failure to comply with the requirements for petitions for review under Rule 45.

Strictly speaking, there can be no identity of causes of action between the present petition and CA-G.R. SP No. 152835, simply because CCPI has no cause of action against the Union. A cause of action is the act or omission by which a party violates the right of another.⁴⁶ The filing of a petition for certification election does not violate any right of the employer, for it is well settled that an employer has no right to participate in a certification election unless it is requested to bargain collectively under Article 270 of the Labor Code.⁴⁷

Nevertheless, the essence of forum shopping is the vexatiously repetitive or successive filing of suits involving the *same issues*, over matters arising from the *same transaction and the same essential facts*. Thus, Rule 42, Section 2, which is made applicable to petitions for review before the Supreme Court by Rule 45, Section 7, expressly requires petitioners to certify under oath that they have not **“theretofore commenced any other action involving the same issues in the Supreme Court, the Court of Appeals or different divisions thereof.”** That is precisely the situation in the case at bar. CCPI opposed the Union’s petition on the ground that it represents employees who have no right to organize. When the MA rejected its opposition, CCPI brought the case to the CA. With no obstacle thereto, the election proceeded, resulting in the certification of the Union, which CCPI again protested all the way to the CA. Clearly, the present petition and the case in CA-G.R. SP No. 152835 both arose from the Union’s petition for certification election. Likewise, both cases involve the same essential issue: whether or not the certification election may proceed in view of the allegation that the bargaining unit sought to be

⁴⁴ RULES OF COURT, Rule 45, Section 5.

⁴⁵ *Zamora v. Quinan, Jr.*, supra note 42; *Korea Exchange Bank v. Gonzales*, supra note 42.

⁴⁶ RULES OF COURT, Rule 2, Section 2.

⁴⁷ LABOR CODE, Article 271; *Republic of the Phils. v. Kawashima Textile Mfg., Phils., Inc.*, 581 Phil. 359, 381 (2008).

represented is composed of managerial or other ineligible employees. Tellingly, CCPI's election protest is grounded on its stance that

the certification election should be nullified and should not have been conducted in view of the pending Petition for Certiorari before the Court of Appeals in Cagayan de Oro City. It also insists that the votes cast by Jeamilee L. Busano and Jasmine Jean C. Quintos, who are designated as analysts, should not have been opened as they do not belong to the bargaining unit sought to be represented.⁴⁸

Moreover, by failing to disclose the pendency and status of CA-G.R. SP No. 152835, CCPI disturbed the orderly administration of justice and wreaked havoc on court procedure by exposing this Court to the possibility of rendering conflicting rulings on the common issues presented in that case and in the present case. Had CCPI disclosed the pendency of CA-G.R. SP No. 152835, the Court could have inquired into the status thereof and, if needed, consolidate it with the present case.

Clearly, by assailing every order issued by the MA in the course of the certification election proceedings, CCPI committed forum shopping. Likewise, by failing to disclose the existence and pendency of CA-G.R. SP No. 152835, CCPI failed to comply with Rule 45, Section 7 in relation to Rule 42, Section 2 of the Rules of Court. This defect alone merits the dismissal of the present petition.

Even if we excuse this violation of procedural rules, CCPI's case still fails for other reasons. As already mentioned, an employer has no standing or participation whatsoever in a certification election proceeding, except when the law requires it to participate. This rule is enshrined in Article 271 of the Labor Code:

ARTICLE 271. [258-A] Employer as Bystander. — In all cases, whether the petition for certification election is filed by an employer or a legitimate labor organization, the employer shall not be considered a party thereto with a concomitant right to oppose a petition for certification election. The employer's participation in such proceedings shall be limited to: (1) being notified or informed of petitions of such nature; and (2) submitting the list of employees during the pre-election conference should the Med-Arbiter act favorably on the petition.

The rule is further reiterated and clarified in jurisprudence:

⁴⁸ *Rollo*, p. 581.

Except when it is requested to bargain collectively, an employer is a mere bystander to any petition for certification election; such proceeding is non-adversarial and merely investigative, for the purpose thereof is to determine which organization will represent the employees in their collective bargaining with the employer. The choice of their representative is the exclusive concern of the employees; the employer cannot have any partisan interest therein; it cannot interfere with, much less oppose, the process by filing a motion to dismiss or an appeal from it; not even a mere allegation that some employees participating in a petition for certification election are actually managerial employees will lend an employer legal personality to block the certification election. The employer's only right in the proceeding is to be notified or informed thereof.⁴⁹

In *Holy Child Catholic School v. Hon. Sto. Tomas*, the employer also opposed the union's petition for certification election on the ground that the bargaining unit included managerial and other non-eligible employees. The MA agreed with the employer; but, on appeal by the union, the SOLE reversed and ordered the certification election to proceed. The CA rejected the employer's appeal and sustained the SOLE. On appeal to the Court by the employer, we sustained the union's argument that employers have no standing to oppose a petition for certification election, viz.:

[E]ven without the express provision of Section 12 of RA No. 9481, the "Bystander Rule" is already well entrenched in this jurisdiction. It has been consistently held in a number of cases that a certification election is the sole concern of the workers, except when the employer itself has to file the petition pursuant to Article 259 of the Labor Code, as amended, but even after such filing its role in the certification process ceases and becomes merely a bystander. The employer clearly lacks the personality to dispute the election and has no right to interfere at all therein. This is so since any uncalled-for concern on the part of the employer may give rise to the suspicion that it is batting for a company union. Indeed, the demand of the law and policy for an employer to take a strict, hands-off stance in certification elections is based on the rationale that the employees' bargaining representative should be chosen free from any extraneous influence of the management; that, to be effective, the bargaining representative must owe its loyalty to the employees alone and to no other.

[T]he issue of whether a petition for certification election is dismissible on the ground that the labor organization's membership allegedly consists of supervisory and rank-and-file employees is actually not a novel one. x x x

x x x x

x x x In unequivocal terms, We reiterated that the alleged inclusion of supervisory employees in a labor organization seeking to represent the bargaining unit of rank-and-file employees does not divest it of its status as a legitimate labor organization.

⁴⁹ *Republic of the Phils. v. Kawashima Textile Mfg., Phils., Inc.*, supra note 47 at 380. Citations omitted.

X X X X

Following the doctrine laid down in *Kawashima* and *SMCC-Super*, it must be stressed that petitioner cannot collaterally attack the legitimacy of private respondent by praying for the dismissal of the petition for certification election x x x.⁵⁰

Still in *Holy Child Catholic School*, we categorically held that

the determination of whether union membership comprises managerial and/or supervisory employees is a factual issue that is best left for resolution in the inclusion-exclusion proceedings x x x. We could only emphasize the rule that factual findings of labor officials, who are deemed to have acquired expertise in matters within their jurisdiction, are generally accorded not only with respect but even finality by the courts when supported by substantial evidence. Also, the jurisdiction of this Court in cases brought before it from the CA via Rule 45 is generally limited to reviewing errors of law or jurisdiction. The findings of fact of the CA are conclusive and binding. Except in certain recognized instances, We do not entertain factual issues as it is not Our function to analyze or weigh evidence all over again; the evaluation of facts is best left to the lower courts and administrative agencies/quasi-judicial bodies which are better equipped for the task.⁵¹

As early as 1993, the Court has already ruled that “*judicial review by [the Supreme] Court in labor cases does not go so far as to evaluate the sufficiency of the evidence upon which the labor officer or office based his or its determination, but are limited to issues of jurisdiction and grave abuse of discretion.*”⁵² This limitation on the scope of review in labor cases is based on the summary nature of labor adjudication proceedings⁵³ and the nature of the mode of review allowed by law therefrom.⁵⁴ Thus, “[i]n labor cases, petitions for review on certiorari under Rule 45 [are] limited to determining whether the Court of Appeals was correct in finding the presence or absence of grave abuse of discretion and jurisdictional errors on the part of the lower tribunal.”⁵⁵

Given these rulings, we are therefore bound by the concurring findings of the CA and the MA that the employees sought to be represented by the

⁵⁰ *Holy Child Catholic School v. Hon. Sto. Tomas*, 714 Phil. 427, 443-451 (2013). Citations omitted.

⁵¹ *Id.* at 451-452. Citations omitted.

⁵² *Philippine Airlines, Inc. v. Santos, Jr. et al.*, 291-A Phil. 451 (1993).

⁵³ *Castillo, et al. v. Prudential Life Plans, Inc., et al.*, 730 Phil. 497, 515-516 (2014); *M. Ramirez Industries v. Sec. of Labor*, 334 Phil. 97, 115 (1997).

⁵⁴ *St. Martin Funeral Home v. NLRC*, 356 Phil. 811 (1998).

⁵⁵ *Manila Cordage Company-Employees Labor Union-Organized Labor Union in Line Industries and Agriculture (MCC-ELU-OLALIA) v. Manila Cordage Company*, G.R. Nos. 242495-96, September 16, 2020.

Union were supervisory employees at the time of the filing of the petition for certification election.

Finally, we consider CCPI's argument that the abolition of the positions held by the Union members pursuant to the March 2017 reorganization rendered the case moot.

The reorganization of business operations is a well-recognized management prerogative.⁵⁶ The impact of business reorganization on the rights of self-organization and collective bargaining has long been recognized. A 1945 ruling of the United States National Labor Relations Board states:

The Board has recognized that its finding with respect to the appropriate unit in a particular business may subsequently become inappropriate due to changes in the business structure, operational methods of the employer, or the extent of union organization among the employees. Thus, where conversion of a factory from peacetime to war production has produced fundamental changes in the employer's manufacturing operations, the Board has found that previous bargaining units, although appropriate when established, lost their identities and may no longer be considered appropriate. Since changing conditions in industry necessitate revision of bargaining units which will best effectuate the policies of the Act, the Board has never held that once it has established an appropriate unit for bargaining purposes, an employer may not in good faith, without regard to union organization of employees, change his business structure, sell or contract out a portion of his operations, or make any like change which might affect the constituency of the appropriate unit without first consulting the bargaining representative of the employees affected by the proposed business change.⁵⁷

Here, CCPI alleges that:

3. x x x [T]he organizational structure of the manufacturing unit at the time was not capable of supporting [its goals of having a competitive advantage in costs, profitable volume growth, and excellent work execution]. For one, due to several layers in the organization, it was difficult for management to reach people in the ranks. Moreover, there was a confusion and overlap of functions between and among positions, making the accountability in processes and results difficult to define.

⁵⁶ *Que v. Asia Brewery, Inc.*, G.R. No. 202388, April 10, 2019; *Manggagawa ng Komunikasyon sa Pilipinas v. Philippine Long Distance Telephone Co., Inc.*, 809 Phil. 106 (2017); *San Miguel Corp. v. National Labor Relations Commission*, 363 Phil. 377 (1999).

⁵⁷ *In the Matter of Mahoning Mining Company and Local Union #12,509, District 50, United Mine Workers of America*, 61 NLRB 792, 803 (1945). Citations omitted. Accessed 2 November 2021 through National Labor Relations Board, Board Decisions database, <https://www.nlr.gov/cases-decisions/decisions/board-decisions>.

4. In order to effectively execute the foregoing strategies, the Company had to rationalize all manufacturing unit positions, including the managerial positions designated as Line Production Supervisor, Production Process Coordinator, Maintenance Planning Coordinator, Line Production Coordinator, Line Maintenance Coordinator, Maintenance Supervisor, Auxiliary Maintenance Supervisor, Line Quality Supervisor, Preventive Maintenance Supervisor, Process Integrity Coordinator, Quality Process Coordinator, Quality Assurance Coordinator, Warehouse Coordinator, and Warehouse Supervisor. Accordingly, after a careful analysis of the duties and responsibilities concomitant thereto, the Company decided to create the following positions, among others, to properly execute the strategies to improve the organizational structure of the manufacturing unit:

x x x x

5. The creation of these positions necessary resulted in the abolition of the Line Production Supervisor, Production Process Coordinator, Maintenance Planning Coordinator, Line Production Coordinator, Line Maintenance Coordinator, Maintenance Supervisor, Auxiliary Maintenance Supervisor, Line Quality Supervisor, Preventive Maintenance Supervisor, Process Integrity Coordinator, Quality Process Coordinator, Quality Assurance Coordinator, Warehouse Coordinator and Warehouse Supervisor positions. Accordingly, the managers occupying these positions were appointed to the new roles, which further confirmed and strengthened the managerial functions that they have been performing under the previous organizational structure.⁵⁸

However, as correctly found by the CA, the alleged reorganization did not result in any significant changes to the bargaining unit represented by the Union. The change in positions was made either through consolidation of existing positions without changes in level, or mere change in nomenclature, viz.:

Position prior to reorganization	Reorganized position
(Line) Production Supervisor	Line Production Head
(Line) Production Coordinator	
Production Process Coordinator/Supervisor	Production Process Head
Maintenance Planning Coordinator	Maintenance Planning Head
Line Maintenance Coordinator	Line Maintenance Head
Preventive Maintenance Supervisor	Preventive Maintenance Head
Maintenance Supervisor	Process Maintenance Head
Auxiliary Maintenance Supervisor	Auxiliary Maintenance Head
Quality Process Coordinator	Quality Systems Head
Line Quality Supervisor	Quality Control Head - Line
Process Integrity Coordinator	Quality Control Head
Quality Assurance Coordinator	
Warehouse Coordinator	Warehouse Head-Materials
Warehouse Supervisor	

⁵⁸ Rollo, pp. 435, 439.

	Warehouse Head-Inbound/Outbound Operations Warehouse Head-Inbound Warehouse Head-Outbound
--	---

The transfer records submitted by CCPI clearly show that the reorganization involved the bargaining unit members being transferred from the old positions, either directly to the correspondingly renamed new positions, or to a different position on the same level, thus:

Employee	Old position	New position
Tautho, Alexis Jim ⁵⁹	Warehouse Supervisor	Warehouse Head
Seno, George ⁶⁰	Warehouse Supervisor	Warehouse Head
Guitguit, Nilda ⁶¹	Warehouse Supervisor	Warehouse Head
Ang, Ralph Vincent ⁶²	Warehouse Coordinator	Warehouse Head
Estrada, Charlie ⁶³	Preventive Maintenance Supervisor	Preventive Maintenance Head
Parrenas, Ian ⁶⁴	Line Maintenance Supervisor	Line Maintenance Head
Belisario, Junald ⁶⁵	Maintenance Planning Coordinator	Maintenance Planning Head
Balambao, Andre ⁶⁶	Production Process Supervisor	Production Process Head
Bongay, Roberth ⁶⁷	Production Process Supervisor	Production Process Head
Gidor, Bonnie ⁶⁸	Production Supervisor	Line Production Head
Flores, Jochri-Ann ⁶⁹	Production Supervisor	Line Production Head
Albarracin, Joseph ⁷⁰	Production Supervisor	Line Production Head
Yape, Kirk ⁷¹	Production Supervisor	Line Production Head
Casino, Lyndy Marie ⁷²	Production Supervisor	Line Production Head
Fuentes, Regiross Janette ⁷³	Production Supervisor	Line Production Head
Talaban, Roselynn ⁷⁴	Production Supervisor	Line Production Head
Villaflor, Simon Jezrel ⁷⁵	Production Supervisor	Line Production Head
Santander, Abegail ⁷⁶	Process Integrity Coordinator	Quality Control Head

⁵⁹ Id. at 509.

⁶⁰ Id. at 510.

⁶¹ Id. at 511.

⁶² Id. at 512.

⁶³ Id. at 517.

⁶⁴ Id. at 518.

⁶⁵ Id. at 519.

⁶⁶ Id. at 521.

⁶⁷ Id. at 522.

⁶⁸ Id. at 523.

⁶⁹ Id. at 524.

⁷⁰ Id. at 525.

⁷¹ Id. at 526.

⁷² Id. at 527.

⁷³ Id. at 528.

⁷⁴ Id. at 529.

⁷⁵ Id. at 530.

⁷⁶ Id. at 531.

Baang, Mary Claire ⁷⁷	Quality Assurance Coordinator	Quality Control Head
Omongos, Rachel Mae ⁷⁸	Line Quality Supervisor	Quality Control Head - Line
Casano, Aigin Louie ⁷⁹	Production Supervisor	Line Maintenance Head
Mira, Allene Mark ⁸⁰	Line Maintenance Supervisor	Preventive Maintenance Head
Miake, Arnel ⁸¹	Maintenance Coordinator	Auxiliary Maintenance Head
Cabingas, Ben ⁸²	Production Supervisor	Process Maintenance Head
Jabines, Raymund ⁸³	Line Maintenance Supervisor	Land and Building Maintenance Head

Since the new positions are mere consolidations or re-introductions of the abolished positions, we find that the reorganization did not change the supervisory character⁸⁴ of the positions in the bargaining unit. For example, the Line Production Supervisor and its replacement, the Line Production Head both supervise the bottling line operations to achieve production targets while optimizing available resources at the least possible cost;⁸⁵ while the Production Process Coordinator and its replacement, the Production Process Head both supervise “*the Production Process team towards the achievement of its objective and to efficiently serve the production of its beverage and water requirement at optimum cost with high quality standard following the requirements of food safety, good manufacturing practices, safety and KOF guidelines*”;⁸⁶ and both the Auxiliary Maintenance Supervisor and the Auxiliary Maintenance Head are tasked with ensuring or keeping the optimal condition and availability of the machines, equipment, and goods used in the plant’s auxiliary services.⁸⁷

Both the old and new job descriptions make repeated use of the word “*manage*” in stating the primary objective of each position; but the particular “*areas of responsibility*” defined thereunder pertain to supervisory functions such as monitoring and verification of compliance, implementation of standard practices and evaluation of current implementation and provision of advice on the improvement thereof.⁸⁸ The new positions all belong to the same level in the plant’s hierarchy as the abolished positions: they are the first-line

⁷⁷ Id. at 532.

⁷⁸ Id. at 533.

⁷⁹ Id. at 513.

⁸⁰ Id. at 514.

⁸¹ Id. at 515.

⁸² Id. at 516.

⁸³ Id. at 520.

⁸⁴ Article 219(m) of the Labor Code defines supervisory employees as “those who, in the interest of the employer, effectively recommend such managerial actions if the exercise of such authority is not merely routine or clerical in nature but requires the use of independent judgment.”

⁸⁵ *Rollo*, pp. 65, 464.

⁸⁶ Id. at 75, 468.

⁸⁷ Id. at 115, 480.


⁸⁸ *Cf.*, the pre-reorganization job descriptions, id. at 65-159 and the post-reorganization descriptions, id. at 448-508.

managers who supervise the rank-and-file workers in their respective areas of responsibility.⁸⁹ While some of the positions are given responsibilities in terms of setting "action plans,"⁹⁰ such responsibility remains limited to planning for the *improvement of the implementation of existing policies or standards* set by their superiors or by external entities. There is likewise no proof that the new positions are empowered to make hiring or disciplinary actions, apart from conducting interviews for prospective applicants within their area of responsibility, conducting performance reviews, overseeing attendance and scheduling, and *initiating* administrative due process for the enforcement of company rules and regulations.⁹¹ Moreover, all of the new positions report to higher-level managers.⁹²

Given the totality of the evidence presented, the CA did not err in denying CCPI's motion for reconsideration on the ground of the March 2017 reorganization, for said reorganization did not alter the composition and integrity of the bargaining unit composed of the supervisory employees of CCPI's Misamis Oriental plant, who have already given the Union a mandate to represent them by virtue of a validly held certification election.

WHEREFORE, the present petition is hereby **DENIED**. The November 22, 2017 Decision and the March 26, 2018 Resolution of the Court of Appeals in CA-G.R. SP No. 07723-MIN are **AFFIRMED**.

SO ORDERED.


SAMUEL H. GAERLAN
Associate Justice

WE CONCUR:

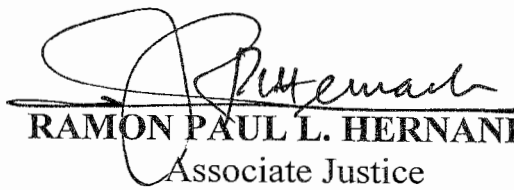
(On official leave)
ESTELA M. PERLAS-BERNABE
Senior Associate Justice


⁸⁹ First-line managers direct operating employees only; they do not supervise other managers. Examples of first-line managers are the "foreman" or production supervisor in a manufacturing plant, the technical supervisor in a research department, and the clerical supervisor in a large office. First-level managers are often called supervisors. *United Pepsi-Cola Supervisory Union v. Judge Laguesma*, 351 Phil. 244, 289-290 (1998).

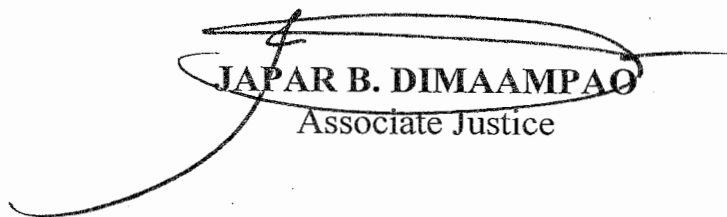
⁹⁰ *E.g.*, the Process and Facilities Maintenance Head, *Rollo*, p. 502.

⁹¹ *Supra* note 88.

⁹² *Rollo*, pp. 448-508.



RAMON PAUL L. HERNANDO
Associate Justice


HENRI JEAN PAUL B. INTING
Associate Justice


JAPAR B. DIMAAMPAO
Associate Justice

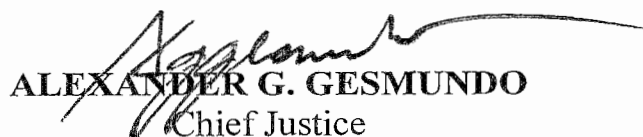
ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


RAMON PAUL L. HERNANDO
Associate Justice
Acting Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice

1