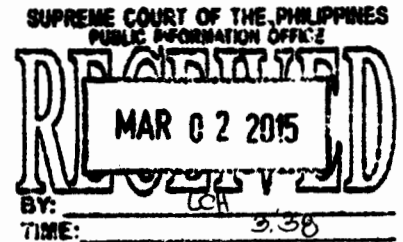




Republic of the Philippines
Supreme Court
Manila
FIRST DIVISION



NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **January 26, 2015** which reads as follows:*

“G.R. No. 203604 - PEPSI-COLA PRODUCTS PHILIPPINES, INC., (PCPPI), Petitioner, v. REGIONAL TRIAL COURT, BRANCH 31, AGOO, LA UNION, and ELMER B. BIDES, Respondents.

Under review on *certiorari* are the decision promulgated by the Court of Appeals (CA) on July 13, 2012¹ (affirming the dismissal without prejudice of Civil Case No. A-2714 issued on November 22, 2011 by the Regional Trial Court (RTC), Branch 31, in Agoo, La Union),² and the resolution promulgated on September 25, 2012³ (denying the petitioner’s motion for reconsideration).

This case was commenced in the RTC by the petitioner to claim damages from the respondent. The complaint alleged that on May 5, 2006, the petitioner entered into a Multi-Route Entrepreneurial System Agreement (agreement) with the respondent Elmer B. Bides (Bides), whereby Bides would buy soft drink products from the petitioner at a discounted price and sell the products to various outlets in Abra;⁴ that Bides initially applied with the petitioner for a credit line of ₱500,000.00 on March 17, 2004, and the application was eventually approved; that the

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¹ *Rollo*, pp. 37-47; penned by Associate Justice Amy C. Lazaro-Javier, with Associate Justice Mariflor P. Punzalan Castillo and Associate Justice Socorro B. Inting concurring.

² *Id.* at 71-78.

³ *Id.* at 49.

⁴ *Id.* at 91-96.

credit line allowed Bides to purchase the products on credit, and was given 30 days within which to pay; that on April 10, 2006, the credit line was upgraded to ₱1,500,000.00; that by June 6, 2009, Bides had incurred unpaid obligations totaling ₱952,353.16; that after a series of negotiations, the petitioner agreed to reduce the amount of unpaid obligations to ₱500,000.00 provided that Bides would pay on or before December 5, 2010; that the petitioner further agreed that the failure to pay would render the full balance of ₱952,353.16 due and demandable; that on December 5, 2010, Bides failed to settle his obligation, prompting the petitioner to demand payment in full; and that despite repeated demands, Bides failed to settle his indebtedness.⁵

In his answer, Bides denied the allegations of the complaint, insisting that the service of summons was defective; that the venue was improperly laid; that the amount demanded of him was bloated; and that it was the petitioner who breached the agreement by allowing other persons to distribute its products in the area under his exclusive control.⁶

During the scheduled pre-trial conference, Atty. Galo Reyes, counsel for Bides, moved to dismiss the case. Although Atty. Reyes admitted that the copy of the complaint contained a copy of the certification and verification against forum shopping, the copy of the RTC did not bear such parts. Atty. Reyes further claimed that the person who signed the certification, Atty. Federico C. G. Sandoval, the petitioner's Senior Manager, was not authorized by any board resolution to represent the petitioner.⁷

In response, the petitioner averred that it was certain that the certification was attached to the complaint when it filed the complaint; and that Atty. Sandoval was authorized by the petitioner's Senior Vice President through a special power of attorney to represent it.⁸

The RTC ordered the dismissal of the complaint, without prejudice. It also denied the ensuing motion for reconsideration.

As stated, the CA affirmed the dismissal through the assailed orders.

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⁵ Id. at 80-82.

⁶ Id. at 108-111.

⁷ Id. at 41-42.

⁸ Id. at 42.

Issue

Did the CA err in ruling that the RTC properly dismissed the case due to the fact that (a) there was no certification attached to the complaint filed in the RTC; and (b) Atty. Sandoval was not properly authorized to represent the petitioner.

Ruling

The appeal has no merit.

The petitioner contends that the certification was attached to the complaint when it was filed, considering that Bides' copy of the complaint bore the required certification as well as the fact that the RTC did not dismiss the case *motu proprio*, an indication that the certification was attached to the complaint.

The contention cannot be upheld. The foregoing circumstances alone were insufficient to prove that the certification was attached when the complaint was filed. The records of the RTC did not include any trace of the certification and verification against forum shopping being attached to the complaint. Considering that the filing of the certificate of non-forum shopping was mandatory in the case of an initiatory pleading,⁹ the absence of the certification attached to the complaint was sufficient cause for the dismissal of the action by the RTC.¹⁰

The petitioner's invocation of the principle of liberal construction in its favor is not persuasive. Although the rules of procedure could be relaxed to relieve a litigant of an injustice commensurate with his failure to comply with the prescribed procedure, the liberal interpretation of rules of procedure should come with a concomitant effort to adequately explain the failure to abide by the rules.¹¹ Here, however, the petitioner, instead of proffering an explanation of the absence of the certification, merely expressed its own puzzlement over the supposed disappearance of the certification, conveniently citing decisions of the Court to justify the non-submission of the certification based on the principle of substantial compliance. Making the omission worse was its unfounded insinuation in the petition for review about the possible malfeasance on the part of the employees of the RTC as a further explanation for the absence of the certification.

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⁹ *Mandaue Galleon Trade, Inc. v. Isidto*, G.R. No. 181051, July 5, 2010, 623 SCRA 414, 421.

¹⁰ Section 5, Rule 7 of the *Rules of Court*.

¹¹ *Lee v. People of the Philippines*, G.R. No. 192274, February 8, 2012, 665 SCRA 618.

The records reveal, however, that the petitioner did not substantially comply with the requirement of the certification against forum shopping. Such non-compliance was fatal to its cause. In *Shipside Incorporated v. Court of Appeals*,¹² a party, in order for it to be considered as having substantially complied with the certification requirement, should have submitted the certification at the earliest instance upon realizing its lack. Here, the petitioner seemed content with merely expressing its puzzlement without subsequently submitting a copy of the certification. If, indeed, the certification truly existed, it would have easily submitted the same in the RTC together with its motion for reconsideration in order to comply with the requirement, albeit belatedly. Its failure to submit the certification cast serious doubt on the sincerity of the claim and closed the door to the liberal interpretation of the *Rules of Court*.

Considering that the complaint was not accompanied by the required certification against forum shopping, the RTC and the CA did not err in dismissing the complaint. It is relevant to point out that the failure to comply with the requirement was not curable by mere amendment, and was sufficient cause for the dismissal of the case without prejudice, unless otherwise provided, upon motion and after hearing.¹³

Consequently, absent such certification being attached to the complaint, the determination of whether Atty. Sandoval was duly authorized to represent the petitioner or not becomes moot and academic.

WHEREFORE, the Court **DENIES** the petition for review on *certiorari* for lack of merit; and **DIRECTS** the petitioner to pay the costs of suit.

SO ORDERED.”

Very truly yours,


EDGAR O. ARICHETA
Division Clerk of Court

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¹² G.R. No. 143377, February 20, 2001, 352 SCRA 334.

¹³ Section 5, Rule 7 of the *Rules of Court*.



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