



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

PHILIPPINE AIRLINES, INC.,
Petitioner,

G.R. No. 168987

Present:

- versus -

VELASCO, JR., J., Chairperson,
LEONARDO-DE CASTRO,*
PERALTA,
ABAD, and
MENDOZA, JJ.

FRANCISCO LAO LIM, THE
HEIRS OF HENRY GO, MANUEL
LIMTONG and RAINBOW TOURS
AND TRAVEL, INC.,

Promulgated:

17 October 2012

Respondents.

X-----

X

DECISION

PERALTA, J.:

This resolves the Petition for Review on *Certiorari* under Rule 45 of the Rules of Court, praying that the Decision¹ of the Court of Appeals (CA), dated March 22, 2005, and its Resolution² dated July 15, 2005, denying herein petitioner's Motion for Reconsideration of the aforementioned Decision, be reversed and set aside.

* Designated Acting Member, per Special Order No. 1343 dated October 9, 2012.

¹ Penned by Associate Justice Pampio A. Abarintos, with Associate Justices Mercedes Gozo-Dadole and Ramon M. Bato, Jr., concurring; *rollo*, pp. 69-80.

² *Id.*

The records reveal the CA's narration of the facts to be accurate, to wit:

Plaintiffs are Cebu-based businessmen, that is, plaintiff Francisco Lao Lim is engaged in real estate and trading, Mr. Henry Go in export and distribution of weighing scales and Mr. Manuel Limtong in the printing press business. All three plaintiffs decided to venture into business transactions involving the purchase of weighing scales from one Mrs. Ng Yuen Ming of Hongkong and printing press equipments from Mrs. Myrna Irsch of Germany. In line with these ventures, they scheduled important appointments with the said dealers in Hongkong on 26 February 1991 in order to conclude their agreements and thereafter sign the necessary contracts.

On 22 February 1991, plaintiff Francisco Lao Lim went to the office of third-party defendant Rainbow Tours and Travel, Inc. ("Rainbow Tours") and purchased three (3) confirmed PAL roundtrip tickets. They were booked on a Link-Flight PR842 Cebu-Manila on February 25, 1991 (Monday) at 12:05 P.M. and Flight PR300 Manila-Hongkong on February 26, 1991 (Tuesday) at 8:00 A.M. The return trip was on March 1, 1991 at 11:05 A.M. Hongkong-Manila (Flight PR301) and Manila-Cebu (Link-Flight PR512) at 2:50 P.M. of the same day.

On February 23, 1991, plaintiff Francisco Lao Lim returned to the office of Rainbow Tours to inquire on the availability of seats for the PAL Manila-Hongkong flight on February 26, 1991 at 5:00 p.m. so that they could reset their Hongkong meetings scheduled on 26 February 1991 to a later time. Francisco Lao Lim was referred to Rainbow Tours travel agent, Gemma Dingal, who called up PAL Reservations. Upon being informed of the unavailability of seats for the 5:00 p.m. flight, Francisco Lao Lim left Rainbow Tours without making any cancellations of their confirmed bookings that were stated in their respective tickets.

As scheduled, plaintiffs took the Cebu-Manila Flight No. PR842 on February 25, 1991. The next day, February 26, 1991, at the check-in counter at the Ninoy Aquino International Airport (NAIA), plaintiffs Francisco Lao Lim and Henry Go were informed by PAL's check-in clerk that their bookings on Flight PR300 Manila-Hongkong (8:00 a.m.) had been cancelled and that their names were not on the computer's passenger list for the said flight. Plaintiff Manuel Limtong, however, was able to board the flight. Francisco Lao Lim and Henry Go explained to the check-in clerk that they were holding confirmed bookings and that they did not have the same cancelled. They likewise begged and pleaded that they be allowed to board the said flight but their pleas fell on deaf ears. At 5:00 p.m. of the same day, plaintiffs Francisco Lao Lim and Henry Go took Flight No. PR301 leaving Manila to Hongkong.

Plaintiffs brought this suit for breach of contract of carriage and damages against PAL alleging that the PAL personnel at the check-in clerk at NAIA arrogantly shouted at them and humiliated them in front of the other passengers by labeling their tickets "cheap tickets" thus entitling them to moral damages in the amount of ₱350,000.00 each as such abusive and injurious language had humiliated them, wounded their feelings and besmirched their reputations. Plaintiffs further claimed that because of their failure to reach Hongkong in time for the scheduled business

conferences, their contacts did not anymore wait for them. They claimed that the 26 February 1991 business meeting with Mrs. Ng involving the purchase of weighing scales at discounted rates should have pushed through since this was the last day given to the plaintiffs to close the deal otherwise Mrs. Ng is selling the stocks to other interested buyers. Even though Manuel Limtong was able to meet with Mrs. Ng, the deal was not finalized since it was only plaintiff Henry Go who could properly negotiate with Mrs. Ng as to what kind of scales they should purchase. Plaintiffs likewise claim that the transaction on the purchase of several German printing press equipments on consignment was not consummated because their German contact, Mrs. Irche, insisted on meeting all three plaintiffs considering that the proposed transaction involved a huge amount. According to the plaintiffs, Mrs. Ng disposed the stocks of weighing scales to another buyer whereas Mrs. Irche left Hongkong without meeting with them despite their efforts to schedule another meeting with her. Since the business deals that could have earned them a profit of ₱3,567,000.00 were not consummated, they should then be entitled to the said amount. Plaintiffs also seek the payment of exemplary damages and attorney's fees.

In its defense, PAL contended that plaintiffs were revenue passengers who made their travel arrangements with Rainbow Tours. [PAL then impleaded Rainbow Tours and Travel, Inc. as third-party defendants, ascribing liability on the latter for whatever damages were suffered by plaintiffs Lao Lim and Go.] Based on the Post Date Investigation Print-out and the testimonies of PAL witnesses Racil Corcuera (PAL Passenger load analyst at Cebu Mactan Office) and Rosy Mancao (Sales Representative), PAL contended that the cancellation of plaintiffs Mr. Lao Lim and Mr. Go's confirmed bookings for the 8:00 a.m. Manila-Hongkong flight on 26 February 1991 was upon request of Gemma Dingal ("Gemma") of Rainbow Tours. PAL alleges that Gemma called Racil Corcuera ("Racil") at 10:46 a.m. of 23 February 1991 and instructed Racil to cancel the original confirmed bookings of plaintiffs Mr. Lao Lim and Mr. Go. While in the process of encoding the new itinerary, Racil found out that PR310 Manila-Hongkong (5:00 p.m. flight) on 26 February 1991 was already fully booked. Racil asked Gemma if she was definite about the new itinerary even if there was no confirmation of the PR310 flight and that plaintiffs will be put on the waitlist, to which, Gemma replied that plaintiffs clearly instructed her that they did not want to stay overnight in Manila and that it was alright to cancel their original confirmed reservations, put the plaintiffs on waitlist status for PR310 February 26, 1991 and then book them for the PR511 (Cebu-Manila) flight at 12:10 p.m. on 26 February 1991 to be connected to PR310 (Manila-Hongkong) flight at 5:00 p.m. on 26 February 1991. As for the Hongkong-Manila trip, Gemma instructed that plaintiffs be booked on PR301 at 11:05 a.m. on 3 March 1991 with connecting flight to Cebu at 2:50 p.m. of the same day. After giving all the foregoing instructions, Gemma then requested Racil to retain plaintiffs' confirmed booking PR300 (8:00 a.m.) Manila-Hongkong on 26 February 1991). Records show, however, that Racil erroneously requested for the reinstatement for the PR 300 flight on February 25, 1991 instead of February 26, 1991. Three hours later, Racil made the proper correction by requesting for the reinstatement of plaintiffs' booking for PR300 on 26 February 1991. Several requests for reinstatement were subsequently made but there was no respond from the flight controller. Eventually, Racil learned from Violy of the Manila Office that the request was on critical status because of the overflow of passengers since the PR300 (Manila-Hongkong) flight on 25 February

1991 had been cancelled. Despite several efforts by PAL employees, viz, Rosy Mancao, Lyndon Maceren (Senior Passenger Loan Analyst) and Lito Camboanga (Shift Supervisor), plaintiffs' bookings for the PR300 flight could not be confirmed.

A perusal of the records show that PAL witness Rosy Mancao testified that PAL and Rainbow Tours agreed not to tell the plaintiffs that their confirmed bookings for PR300 on 26 February 1991 had been erroneously cancelled and that the said flight was on critical status due to an overbooking of passengers because if they inform the plaintiffs "it would just create further problems."

PAL witness Mariano Aldee III who was assigned at the Check-In Counter disputed plaintiffs' claims that they were rudely treated by PAL employees, giving five reasons why passengers must be handled politely and courteously, to wit: (1) PAL employees underwent 5-week trainings on proper handling and courteous treatment; (2) airline employees' uniform practice of treating passengers politely; (3) PAL's corporate policy is "Total Passenger Care"; (4) PAL subjects employees to administrative sanctions when employees are impolite and discourteous, and (5) their superiors would make them explain if employees exhibit any rudeness or discourtesy to passengers. Mr. Aldee further testified that Flight PR300 on February 26, 1991 was an Airbus 300 with a capacity of 344 passengers, 24 of these on the business class while 220 seats for the economy class. Two jump seats were occupied by non-revenue passengers who were PAL employees but not on duty on that particular flight. For that said flight, PAL overbooked for 44 more passengers, that is, 28 for the business class and 260 for the economy class. Since there were only 22 business class passengers who showed up, two passengers from the economy class were "upgraded" to business class. Witness further testified that no waitlisted passenger was accepted for boarding on that flight.

Rainbow Tours presented Gemma Dingal and Ruby Lim (one of the owners of Rainbow Tours) as its witnesses, whose testimonies mainly attributed the erroneous cancellation of Mr. Lao Lim and Mr. Go's confirmed bookings for the PR300 Manila-Hongkong flight at 8:00 a.m. to Racil Corcuera. According to Gemma, she called up PAL merely to inquiry (sic) as to the availability of seats for the 5:00 p.m. Manila-Hongkong flight on 26 February 1991. She was taken by surprise when Racil immediately cancelled the confirmed bookings even if there was no instruction on her part to do so. Gemma immediately informed Ruby Lim of the erroneous cancellation and despite all their efforts to reinstate the original confirmed bookings, the same could not be done.

On 18 June 1996, the court *a quo* [RTC] rendered a Decision with the following dispositive portion:

WHEREFORE, judgment is hereby rendered sentencing the defendant Philippine Airlines and third-party defendant Rainbow Tours and Travel, Inc. to jointly and severally pay unto the plaintiff Francis Lao Lim the sum of SEVENTY-FIVE THOUSAND PESOS (₱75,000.00), in concept of reasonable temperate or moderate damages, and a like or similar sum to the substituted plaintiff-heirs of the late Henry Go, likewise by way of reasonable temperate or moderate damages plus the aggregate sum of TWENTY-FIVE THOUSAND PESOS

(₱25,000.00) as and for attorney's fees.

Costs against defendant Philippine Airlines and third-party defendant Rainbow Tours and Travel Incorporated.

SO ORDERED.

Aggrieved by the court *a quo's* ruling, plaintiffs and PAL interposed their respective appeals.³

On March 22, 2005, the CA promulgated its Decision, holding that petitioner clearly breached its contract of carriage with Mr. Lao Lim and Mr. Go. The CA disposed as follows:

WHEREFORE, based on the foregoing premises, the 18 June 1996 Decision of the court *a quo* is **MODIFIED**, to wit:

1. Defendant-appellant and third-party plaintiff-appellee Philippine Airlines and third-party defendant-appellee Rainbow Tours and Travel, Inc. are jointly and severally liable to pay plaintiffs-appellants Francisco Lao Lim the sum of PESOS: Fifty Thousand (₱50,000.00) in concept of moral damages and PESOS: Fifty Thousand (₱50,000.00) by way of exemplary damages for breach of contract of carriage;
2. Defendant-appellant and third-party plaintiff-appellee Philippine Airlines and third-party defendant-appellee Rainbow Tours and Travel Inc. are jointly and severally liable to pay the substituted heirs of plaintiff-appellant of the late Henry Go (sic) the sum of PESOS: Fifty Thousand (₱50,000.00) in concept of moral damages and PESOS: Fifty Thousand (₱50,000.00) by way of exemplary damages for breach of contract of carriage;
3. Defendant-appellant and third-party plaintiff-appellee Philippine Airlines and third-party defendant-appellee Rainbow Tours and Travel Inc. are jointly and severally liable to pay each of the plaintiffs-appellants the sum of PESOS: One Hundred Thousand (₱100,000.00) by way of temperate or moderate damages;
4. Defendant-appellant and third-party plaintiff-appellee Philippine Airlines and third-party defendant-appellee Rainbow Tours and Travel Inc. are jointly and severally liable to pay the aggregate sum of PESOS: Sixty Thousand (₱60,000.00) as and for attorney's fees;
5. Defendant-appellant and third-party plaintiff-appellee Philippine Airlines' claim for contribution,

³

Rollo, pp. 70-74.

indemnity, subrogation and other reliefs from third-party defendant-appellee Rainbow Tours and Travel Inc. is DENIED for lack of merit;

6. Costs against defendant-appellant and third-party plaintiff-appellee Philippine Airlines and third-party defendant-appellee Rainbow Tours and Travel Incorporated.

SO ORDERED.⁴

Petitioner's motion for reconsideration of the CA Decision was denied *per* Resolution dated July 15, 2005.

Hence, this petition before the Court, with petitioner alleging that:

I

THE MARCH 22, 2005 DECISION AND JULY 15, 2005 RESOLUTION OF THE COURT OF APPEALS DID NOT RESOLVE THE PETITIONER'S NOVEMBER 3, 1998 MOTION TO SUSPEND PROCEEDINGS ON THE GROUND OF THE LATTER'S REHABILITATION RECEIVERSHIP.

II

RESPONDENTS FRANCISCO LAO LIM AND THE LATE HENRY GO WERE NOT HOLDING CONFIRMED BOOKINGS OR RESERVATION ON PAL'S PR300 (MANILA-HONGKONG) ON FEBRUARY 26, 1991 SINCE THE SAME WAS CANCELLED PURSUANT TO THE CATEGORICAL INSTRUCTION OF [GEMMA] DINGAL OF RESPONDENT RAINBOW TOURS.

III

THE LATE RESPONDENT HENRY GO OR HIS HEIRS DID NOT TESTIFY IN COURT. HENCE, HE IS NOT ENTITLED TO THE AWARDS OF ₱50,000 AS MORAL DAMAGES AND ₱50,000 AS EXEMPLARY DAMAGES AND ATTORNEY'S FEES.

IV

RESPONDENT MANUEL LIMTONG IS NOT ENTITLED TO ₱100,000 AS TEMPERATE OR MODERATE DAMAGES AND ATTORNEY'S FEES BECAUSE HE BOARDED, SANS ANY PROBLEM, PR 300/MANILA-HONG-KONG/FEBRUARY 26, 1991 WHICH WAS THE FLIGHT AND DATE ON WHICH HE HELD A CONFIRMED BOOKING.

⁴

Id. at 78-79.

V

THE AWARD OF TEMPERATE OR MODERATE DAMAGES OF ₱100,000 TO EACH OF THE OTHER INDIVIDUALS IS BEREFT OF FACTUAL AND LEGAL SUPPORT.

VI

RESPONDENT RAINBOW TOURS AND TRAVEL, INC. SHOULD BE MADE LIABLE TO THE INDIVIDUAL RESPONDENTS AND PETITIONER SHOULD BE ABSOLVED OF ANY LIABILITY.⁵

The petition deserves some consideration.

First, the issue of whether proceedings should be suspended on the ground that petitioner is under rehabilitation receivership, is now moot and academic. Petitioner is no longer under such status effective September 28, 2007, pursuant to the Order dated September 28, 2007 issued by the Securities and Exchange Commission.⁶ Therefore, this can no longer be an obstacle to legal proceedings against petitioner.

Going into the merits of the case, it is best to set it against the backdrop of the basic tenet that “in an action based on a breach of contract of carriage, the aggrieved party does not have to prove that the common carrier was at fault or was negligent. All that he has to prove is the existence of the contract and the fact of its non-performance by the carrier.”⁷

Petitioner then questions first, whether respondents Francisco Lao Lim and the late Henry Go had confirmed bookings on petitioner's flight PR300 (Manila-Hongkong) on February 26, 1991. Petitioner insists that respondents Lao Lim's and Go's bookings were cancelled because of the instructions of Ms. Dingal of the travel agency Rainbow Tours, with whom respondents were transacting. Petitioner points out supposed inconsistencies

⁵ *Id.* at 16-17.

⁶ See petitioner's *Manifestation* dated November 7, 2007 with copy of SEC Order dated September 28, 2007 attached thereto; *id.* at 158-166.

⁷ *Spouses Fernando and Lourdes Vilorio vs. Continental Airlines, Inc.*, G.R. No. 188288, January 16, 2012.

in the testimony, affidavits and other documents of Ms. Dingal, arguing that her testimony, *i.e.*, that the erroneous cancellation of respondents Lao Lim's and Go's bookings were done by PAL's employee, Racil, without any instruction from her or respondent Lao Lim, should not be given credence as she appears to be a “coached” witness.

A close examination of the supposed inconsistencies, however, reveals that the same are too inconsequential to give any serious consideration. Moreover, petitioner presented this matter regarding the alleged inconsistencies in the statements of witnesses before the trial court, and yet said court still found the witness and her testimony - that there was no instruction given to cancel respondents' bookings for the PR300 flight on February 26, 1991 - to be worthy of belief. The Court again emphasizes that “findings of the trial court on the matter of credibility of witnesses are entitled to the highest degree of respect and will not be disturbed on appeal,”⁸ because said lower court had the opportunity to observe, firsthand, how the witnesses testified.⁹ The trial court ruled that respondents Lao Lim and Henry Go were indeed holding confirmed tickets for PR300 on February 26, 1991, as they did not have their bookings cancelled. Such factual finding was upheld by the appellate court. Petitioner should bear in mind that findings of fact of the trial court, when affirmed by the CA, are binding and conclusive on this Court, as it is not a trier of facts.¹⁰ Although there are accepted exceptions to this general rule, this case does not fall under any such exceptions. Thus, the findings of the lower courts that respondents Francisco Lao Lim and Henry Go were holding confirmed plane tickets and yet were not transported by petitioner, are binding on this Court. Having proven the existence of a contract of carriage between respondents Lao Lim and Go, and the fact of non-performance by petitioner of its obligation as a

⁸ *Gaje vs. Vda. de Dalisay*, G.R. No. 158762, April 3, 2007, 520 SCRA 272, 285.

⁹ *Japan Airlines vs. Simangan*, G.R. No. 170141, April 22, 2008, 552 SCRA 341, 357.

¹⁰ *Givero vs. Givero*, G.R. No. 157476, March 16, 2011, 645 SCRA 479, 487-488; *Heirs of Jose Marcial K. Ochoa vs. G & S Transport Corporation*, G.R. Nos. 170071 & 170125, March 9, 2011, 645 SCRA 93, 109-110; *Francisco vs. Court of Appeals*, G.R. No. 118749, April 25, 2003, 401 SCRA 594, 606; 449 Phil. 632, 647 (2003).

common carrier, it is clear that petitioner breached its contract of carriage with respondents Lao Lim and Go.

The next question posed by petitioner is, are the appellate court's awards for damages in favor of respondents proper? The Court finds some of petitioner's arguments meritorious.

Petitioner assails the award of ₱50,000.00 as moral damages granted to the heirs of Henry Go despite the fact that neither Henry Go nor any of his heirs testified on matters that could be the basis for such monetary award. In *Philippine Savings Bank vs. Manalac, Jr.*,¹¹ the Court ruled, thus:

x x x [T]he award of moral damages must be anchored on a clear showing that [the complainant] actually experienced mental anguish, besmirched reputation, sleepless nights, wounded feelings or similar injury. There was no better witness to this experience than [complainant] himself. **Since [complainant] failed to testify on the witness stand, the trial court did not have any factual basis to award moral damages to him.** x x x Mere allegations do not suffice; they must be substantiated by clear and convincing proof.¹² (Emphasis supplied)

Indeed, in this case, since respondent Henry Go was not able to testify, there is then no evidence on record to prove that he suffered mental anguish, besmirched reputation, sleepless nights, wounded feelings or similar injury by reason of petitioner's conduct. Thus, on the award of moral damages in favor of deceased respondent Go, substituted by his heirs, the Court finds the same improper as it lacks the required factual basis.

However, there was no error committed by the lower courts with regard to the award of temperate or moderate damages of ₱100,000.00 to respondents Lao Lim and Go. The New Civil Code provides:

¹¹ G.R. No. 145441, April 26, 2005, 457 SCRA 203; 496 Phil. 671 (2005).

¹² *Id.* at 222; *id.* at 691-692.

Art. 2224. Temperate or moderate damages, which are more than nominal but less than compensatory damages, may be recovered when the court finds that some pecuniary loss has been suffered but its amount cannot, from the nature of the case, be proved, with certainty.

Here, the trial and appellate courts also made the factual findings that the purpose for respondents Lao Lim's, Henry Go's, and Manuel Limtong's trip to Hongkong was to conduct business negotiations, but respondents Lao Lim and Henry Go were not able to meet their counterparts as they were not allowed to board the PR300 flight on February 26, 1991. As discussed earlier, said factual finding is deemed conclusive and the circumstances appearing on record convinced this Court that respondents Lao Lim and Henry Go suffered some pecuniary loss due to their failure to meet with their business associates. Understandably, it is difficult, if not impossible, to adduce solid proof of the losses suffered by respondents due to their failure to make it to their business meetings. Certainly, respondents' time and effort were wasted when they left their businesses in Cebu, all for naught, as the business negotiations they were supposed to conduct in Hongkong did not push through. One cannot discount the fact that business opportunities were lost. Thus, it is only just that respondents Lao Lim and Henry Go be awarded temperate or moderate damages.

As to the award of exemplary damages in favor of respondent Go, *Gatmaitan vs. Gonzales*,¹³ is instructive, to wit:

x x x Article 2229 of the Civil Code provides that exemplary or corrective damages are **imposed in addition to** the moral, **temperate**, liquidated or compensatory **damages**. Exemplary damages are not recoverable as a matter of right. The requirements of an award of exemplary damages are: (1) they may be imposed by way of example in addition to compensatory damages, and only after the claimant's right to them has been established; (2) that they cannot be recovered as a matter of right, their determination depending upon the amount of compensatory damages that may be awarded to the claimant; (3) the act must be accompanied by bad faith or done in a wanton, fraudulent, oppressive or malevolent manner. x x x¹⁴ (Emphasis supplied)

¹³ G.R. No. 149226, June 26, 2006, 492 SCRA 591.

¹⁴ *Id.* at 605.

Since respondent Go is entitled to temperate damages, then the court may also award exemplary damages in his favor.¹⁵ Indeed, exemplary damages are in order because petitioner and Rainbow Tours, through their respective employees, acted in bad faith by not informing respondents Lao Lim and Go of the erroneous cancellation of their bookings on the PR300 flight on February 26, 1991. Both the trial and appellate courts are correct in their interpretation that Ms. Mancao, petitioner's employee, and Rainbow Tours' Ms. Dingal acted in concert in not telling respondents Lao Lim and Go of the problems regarding their bookings. Ms. Mancao in effect reinforced and agreed to Ms. Dingal's decision not to tell respondents Lao Lim and Go, by telling Ms. Dingal that "if you tell the passengers, it might just create further problems."¹⁶

However, the Court agrees with petitioner that respondent Manuel Limtong is not entitled to any award for damages because, as to said respondent, petitioner faithfully complied with their contract of carriage. Respondent Limtong was able to board PR300 on February 26, 1991, as stated in his confirmed plane ticket. The contract of carriage does not carry with it an assurance that he will be travelling on the same flight with his chosen companions. Even if petitioner failed to transport respondents Lao Lim and Go on the same flight as respondent Limtong, there is absolutely no breach of the contract of carriage between the latter and petitioner. Hence, petitioner should not be made liable for any damages in favor of respondent Limtong.

Petitioner is also liable for attorney's fees, because records show that respondents demanded payment for damages from petitioner but it was only after respondents filed a case in court that petitioner offered some form of restitution to respondents, which the latter found insufficient. Clearly,

¹⁵ *Newsounds Broadcasting Network, Inc. vs. Dy*, G.R. Nos. 170270 & 179411, 583 SCRA 333, 375.
¹⁶ TSN, December 5, 1995, p. 9.

respondents were forced to obtain services of counsel to enforce a just claim, for which they should be awarded attorney's fees.

Lastly, the Court finds petitioner's claim that only herein respondent, (third-party defendant before the trial court) Rainbow Tours and Travel, Inc., should be made liable to respondents Lao Lim and Go, to be untenable. They have acted together in creating the confusion leading to the erroneous cancellation of aforementioned respondents' confirmed bookings and the failure to inform respondents of such fact. As such, they have become joint tortfeasors, and in *Loadmasters Customs Services, Inc. vs. Glodel Brokerage Corporation*,¹⁷ the Court elucidated thus:

x x x Where there are several causes for the resulting damages, a party is not relieved from liability, even partially. It is sufficient that the negligence of a party is an efficient cause without which the damage would not have resulted. It is no defense to one of the concurrent tortfeasors that the damage would not have resulted from his negligence alone, without the negligence or wrongful acts of the other concurrent tortfeasor. As stated in the case of *Far Eastern Shipping v. Court of Appeals*,

x x x. Where several causes producing an injury are concurrent and each is an efficient cause without which the injury would not have happened, the injury may be attributed to all or any of the causes and recovery may be had against any or all of the responsible persons although under the circumstances of the case, it may appear that one of them was more culpable, and that the duty owed by them to the injured person was not the same. No actor's negligence ceases to be a proximate cause merely because it does not exceed the negligence of other actors. Each wrongdoer is responsible for the entire result and is liable as though his acts were the sole cause of the injury.

There is no contribution between joint tortfeasors whose liability is solidary since both of them are liable for the total damage. Where the concurrent or successive negligent acts or omissions of two or more persons, although acting independently, are in combination the direct and proximate cause of a single injury to a third person, it is impossible to determine in what proportion each contributed to the injury and **either of them is responsible for the whole injury**. Where their concurring negligence resulted in injury or damage to a third party, they become joint tortfeasors and are solidarily liable for the resulting damage under Article 2194 of the Civil Code. [Emphasis supplied]¹⁸

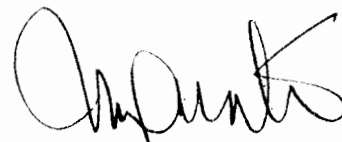
¹⁷ G.R. No. 179446, January 10, 2011, 639 SCRA 69.

¹⁸ *Loadmasters Customs Services, Inc. vs. Glodel Brokerage Corporation*, *supra*, at 85-86.

Thus, petitioner and Rainbow Tours and Travel, Inc. are jointly and solidarily liable for damages awarded to respondents Lao Lim and Go.

IN VIEW OF THE FOREGOING, the Decision of the Court of Appeals, dated March 22, 2005, is hereby **MODIFIED** by **DELETING** the award for moral damages in favor of the substituted heirs of the late Henry Go, and **DELETING** the award of temperate or moderate damages in favor of respondent Manuel Limtong.

SO ORDERED.



DIOSDADO M. PERALTA

Associate Justice

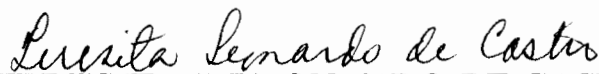
WE CONCUR:



PRESBITERO J. VELASCO, JR.

Associate Justice

Chairperson



TERESITA J. LEONARDO-DE CASTRO

Associate Justice



ROBERTO A. ABAD

Associate Justice

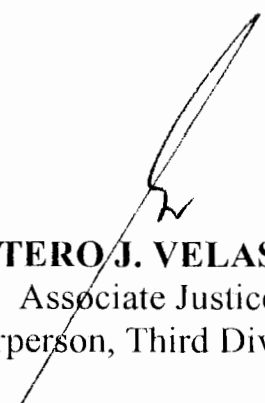


JOSE CATRAL MENDOZA

Associate Justice

ATTESTATION

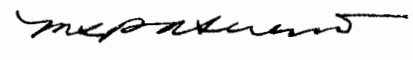
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division 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.



MARIA LOURDES P. A. SERENO
Chief Justice