

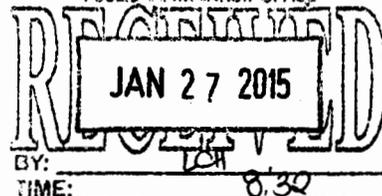


REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE



Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **12 November 2014** which reads as follows:*

G.R. No. 213698 (Seconds To Go and Michael Dauden v. Fabriano Societa Per Azioni, Inc.). – This is a Rule 45 petition¹ assailing the decision² and resolution³ of the Court of Appeals (CA) penned by Associate Justice Rebecca De Guia-Salvador with Associate Justices Ramon R. Garcia and Danton Q. Bueser, concurring.

The respondent filed a complaint for collection of sum of money and damages against the petitioners before the Regional Trial Court (RTC), Branch 157, Pasig City. The respondent alleged that it delivered merchandise to the petitioners as evidenced by the invoices and receipts attached to the complaint. The petitioners failed to pay ₱1,312,239.00 despite several demands. The respondent also alleged that it was authorized by Asian Durables Manufacturing, Inc. (ADMI) to file the complaint against the petitioners based on the latter's similar dealings with ADMI. Hence, Annexes "C" to "TT" of the complaint pertain to the invoices and receipts issued by ADMI.

The petitioners filed a motion to dismiss alleging that the owner of the goods subject of the case was ADMI; therefore, the respondent was not the real party in interest and the complaint failed to state a cause of action. The RTC denied the motion to dismiss.

The petitioners filed an unverified answer reiterating their position that the respondent has no cause of action against them. In response, the respondent filed a motion for judgment on the pleadings.

The RTC⁴ granted this motion and ruled that the genuineness and due execution of the actionable documents attached to the complaint were deemed admitted because the petitioners failed to specifically deny them under oath. The RTC ordered the petitioners to pay ₱1,312,239.00 plus attorney's fees and cost of suit. The RTC also denied the motion for reconsideration of the petitioners, prompting the latter to file an appeal with the CA.

The CA affirmed the RTC's ruling on the motion for judgment on the pleadings but deleted the RTC's award of attorney's fees for lack of basis.

On the issue of failure to state a cause of action, the CA ruled that the petitioners did not assail ADMI's inclusion in the case as party-plaintiff. The non-inclusion of a complainant's name in the title of a

¹ Rollo, pp. 10-26.

² Id. at 32-40.

³ Id. at 41-42.

⁴ Branch 166, Pasig City.

complaint is not fatal, provided that there was a statement in the body of the complaint indicating that such complainant was made a party to the action. In the present case, the respondent's authorization from ADMI was stated in the body of the complaint. Thus, the omission of ADMI's name in the title of the complaint was correctible through a formal amendment.⁵

The CA denied the petitioners' motion for reconsideration. Hence, this petition.

The petitioners allege that the CA erred in affirming the trial court's ruling because: 1) their answer with counterclaims contained specific denials of the allegations in the complaint and provided reasons on why they tendered issue on the respondent's claims; and 2) the complaint did not state a valid cause of action against any of or both the petitioners.

Our Ruling

The CA correctly affirmed the RTC's ruling.

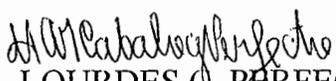
A specific denial is made by specifying each material allegation of fact, the truth of which the defendant does not admit and, whenever practicable, setting forth the substance of the matters upon which he relies to support his denial. The purpose of requiring the defendant to make a specific denial is to make him briefly disclose the matters alleged in the complaint which he intends to disprove at the trial, together with the matter which he relied upon to support the denial.⁶

A perusal of the petitioners' answer would show that they did not specifically deny the transactions stated in the complaint but only alleged that the respondent was not a real party in interest, hence, the complaint failed to state a cause of action. The issue of failure to state a cause of action was correctly ruled upon by the CA and the RTC. Therefore, viewed in the light of the requisites and nature of a specific denial, the CA correctly ruled that the petitioners' answer contained no specific denial of the allegations in the complaint.

WHEREFORE, premises considered, we hereby **DENY** the petition.

SO ORDERED.

Very truly yours,


MA. LOURDES C. PERFECTO
 Division Clerk of Court *11/11/11*

⁵ Pursuant to Section 4, Rule 10 of the Rules of Court.

⁶ *Cua v. Wallem Philippines Shipping, Inc. et al.*, G.R. No. 171337, July 11, 2012, 676 SCRA 143, 153.

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CA-G.R. CV No. 97592

HON. PRESIDING JUDGE (reg)
Regional Trial Court, Branch 166
Pasig City
Civil Case No. 71783-PSG

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Supreme Court, Manila

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GR213698. 11/12/14 (28)SR *mlg/nlk*