

[CA-G.R. SP NO. 67813, June 16, 2006]

**ROSENDO A. GANADEN, JR., PETITIONER, VS. NATIONAL LABOR
RELATIONS COMMISSION, EXECUTIVE LABOR ARBITER NORMA
C. OLEGARIO AND COCA-COLA BOTTLERS PHILIPPINES, INC.,
RESPONDENTS.**

D E C I S I O N

BARRIOS, J.:

The petitioner Rosendo Ganaden, Jr. (or Ganaden) in this petition for certiorari assails the decision and the subsequent resolution of the National Labor Relations Commission (or NLRC) in favor of the respondent Coca-Cola Bottlers Philippines, Inc. (or Coca-Cola). The Decision dated January 9, 2001 affirmed the decision of the Labor Arbiter while the Resolution dated September 10, 2001 denied the motion for its reconsideration. Alleging that these were issued with grave abuse of discretion, Ganaden prays for their reversal. Ganaden started his employment as a Warehouseman with the San Miguel Beer Corporation (or SMC) on October 1, 1967. In May 1981, the Soft Drink Division of SMC was incorporated to become the respondent Coca-Cola which took over the business of SMC's entire Soft Drink Division and hired qualified SMC employees as its regular employees. Among them was Ganaden.

On June 1, 1981, Ganaden was given an appointment letter by Coca-Cola stating in part that:

This will confirm your permanent appointment with Coca-Cola Bottler's Philippines, Inc (CCBPI) effective June 1, 1981. As an employee of CCBPI, you will enjoy the same benefits under Retirement and Death Benefit Plan and the Health and Welfare Plan of San Miguel Corporation. x
x x

The said retirement plan provided as follows:

(b) Optional Retirement - Any regular employee with at least 15 years of service or upon reaching the age of 60, may retire, at his option or the option of the company, and shall be entitled to 100% of the retirement benefits provided in Section 2 of this Article.

Years later on April 15, 1995 SMC implemented a new retirement plan for its employees which provides:

ARTICLE V - PAYMENT OF BENEFITS

Section 1. Retirement. A member who retires on the retirement dates as defined in Article V of this Plan shall be entitled to and shall be paid a retirement benefit determined in accordance with the following schedule:

Years of Service

% of Final Pay for Every
Year of Credited Service

Less than 20	150%
20 but less than 30	200%
30 years and over	225%

On February 28, 1997, Ganaden who was then holding the position of a Regional Sales Manager and after having rendered almost 30 years of service, applied for an optional retirement. Coca-Cola approved this based on Sections 1(b) and 2 (b) of its Retirement Plan. Ganaden's retirement pay amounted to P1,292,080.29 computed at 100% of his monthly salary times his years of service. Ganaden received and acknowledged the said amount, and thereafter signed a Receipt and Release.

Later believing that what he received fell short of what was due him, Ganaden on February 18, 2000, or almost three years after he received his retirement pay, filed before the Regional Arbitration Branch No. 1 stationed at San Fernando City, La Union, for retirement benefits and prayed too for moral and exemplary damages as well as attorney's fees. Ganaden averred that since his appointment letter from Coca-Cola dated June 1, 1981 specifically provided that he will enjoy the same benefits under the Retirement and Death Benefit Plan and Health and Welfare Plan of San Miguel Corporation, then his retirement benefit should be computed at 200% instead of the 100% provided for in the SMC Retirement and Death Benefit Plan.

Finding that the case of Ganaden was similar to the case of *Domingo Ignacio v. National Labor Relations Commission and Coca-Cola Bottlers, Inc.*, CA-G.R. No. 55833, wherein the Court of Appeals dismissed the petition, the Labor Arbiter in its Decision dated July 31, 2000 likewise ruled:

IN VIEW OF ALL THE FOREGOING, this case is hereby dismissed for lack of merit. (p. 50, rollo)

Ganaden appealed to the NLRC but he was not able to obtain a favorable judgment. On January 9, 2001, the NLRC disposed that:

WHEREFORE, the appeal of the complainant is hereby DISMISSED for lack of merit. (p. 37, rollo)

A motion for reconsideration was filed but this too was struck down in the NLRC's Resolution dated September 10, 2001.

Aspiring for a ruling which will give a yield in his favor, Ganaden sought recourse via this petition and assigned as errors the following for the consideration of this Court:

- I. THE PUBLIC RESPONDENT HAD ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION IN HOLDING THAT THE SMC'S RETIREMENT BENEFITS EXISTING AT THE TIME OF TRANSFER OF PETITIONER FROM SMC TO PRIVATE RESPONDENT CCBPI IN JUNE 1, 1981 SHOULD BE APPLIED AND NOT THE SMC'S RETIREMENT BENEFITS EXISTING AT THE TIME OF PETITIONER'S RETIREMENT IN FEBRUARY 28, 1997.
- II. THE PUBLIC RESPONDENT HAD ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION IN HOLDING