

# FIRST DIVISION

[ G.R. No. 204866, January 21, 2015 ]

## **RUKS KONSULT AND CONSTRUCTION, PETITIONER, VS. ADWORLD SIGN AND ADVERTISING CORPORATION\* AND TRANSWORLD MEDIA ADS, INC., RESPONDENTS.**

### **D E C I S I O N**

#### **PERLAS-BERNABE, J.:**

Assailed in this petition for review on *certiorari*<sup>[1]</sup> are the Decision<sup>[2]</sup> dated November 16, 2011 and the Resolution<sup>[3]</sup> dated December 10, 2012 of the Court of Appeals (CA) in CA-G.R. CV No. 94693 which affirmed the Decision<sup>[4]</sup> dated August 25, 2009 of the Regional Trial Court of Makati City, Branch 142 (RTC) in Civil Case No. 03-1452 holding, *inter alia*, petitioner Ruks Konsult and Construction (Ruks) and respondent Transworld Media Ads, Inc. (Transworld) jointly and severally liable to respondent Adworld Sign and Advertising Corporation (Adworld) for damages.

#### **The Facts**

The instant case arose from a complaint for damages filed by Adworld against Transworld and Comark International Corporation (Comark) before the RTC.<sup>[5]</sup> In the complaint, Adworld alleged that it is the owner of a 75 ft. x 60 ft. billboard structure located at EDSA Tulay, Guadalupe, Barangka Mandaluyong, which was misaligned and its foundation impaired when, on August 11, 2003, the adjacent billboard structure owned by Transworld and used by Comark collapsed and crashed against it. Resultantly, on August 19, 2003, Adworld sent Transworld and Comark a letter demanding payment for the repairs of its billboard as well as loss of rental income. On August 29, 2003, Transworld sent its reply, admitting the damage caused by its billboard structure on Adworld's billboard, but nevertheless, refused and failed to pay the amounts demanded by Adworld. As Adworld's final demand letter also went unheeded, it was constrained to file the instant complaint, praying for damages in the aggregate amount of P474,204.00, comprised of P281,204.00 for materials, P72,000.00 for labor, and P121,000.00 for indemnity for loss of income.<sup>[6]</sup>

In its Answer with Counterclaim, Transworld averred that the collapse of its billboard structure was due to extraordinarily strong winds that occurred instantly and unexpectedly, and maintained that the damage caused to Adworld's billboard structure was hardly noticeable. Transworld likewise filed a Third-Party Complaint against Ruks, the company which built the collapsed billboard structure in the former's favor. It was alleged therein that the structure constructed by Ruks had a weak and poor foundation not suited for billboards, thus, prone to collapse, and as such, Ruks should ultimately be held liable for the damages caused to Adworld's billboard structure.<sup>[7]</sup>

For its part, Comark denied liability for the damages caused to Adworld's billboard structure, maintaining that it does not have any interest on Transworld's collapsed billboard structure as it only contracted the use of the same. In this relation, Comark prayed for exemplary damages from Transworld for unreasonably including it as a party-defendant in the complaint.<sup>[8]</sup>

Lastly, Ruks admitted that it entered into a contract with Transworld for the construction of the latter's billboard structure, but denied liability for the damages caused by its collapse. It contended that when Transworld hired its services, there was already an existing foundation for the billboard and that it merely finished the structure according to the terms and conditions of its contract with the latter.<sup>[9]</sup>

### **The RTC Ruling**

In a Decision<sup>[10]</sup> dated August 25, 2009, the RTC ultimately ruled in Adworld's favor, and accordingly, declared, *inter alia*, Transworld and Ruks jointly and severally liable to Adworld in the amount of P474,204.00 as actual damages, with legal interest from the date of the filing of the complaint until full payment thereof, plus attorney's fees in the amount of P50,000.00.<sup>[11]</sup>

The RTC found both Transworld and Ruks negligent in the construction of the collapsed billboard as they knew that the foundation supporting the same was weak and would pose danger to the safety of the motorists and the other adjacent properties, such as Adworld's billboard, and yet, they did not do anything to remedy the situation.<sup>[12]</sup> In particular, the RTC explained that Transworld was made aware by Ruks that the initial construction of the lower structure of its billboard did not have the proper foundation and would require additional columns and pedestals to support the structure. Notwithstanding, however, Ruks proceeded with the construction of the billboard's upper structure and merely assumed that Transworld would reinforce its lower structure.<sup>[13]</sup> The RTC then concluded that these negligent acts were the direct and proximate cause of the damages suffered by Adworld's billboard.<sup>[14]</sup>

Aggrieved, both Transworld and Ruks appealed to the CA. In a Resolution dated February 3, 2011, the CA dismissed Transworld's appeal for its failure to file an appellant's brief on time.<sup>[15]</sup> Transworld elevated its case before the Court, docketed as G.R. No. 197601.<sup>[16]</sup> However, in a Resolution<sup>[17]</sup> dated November 23, 2011, the Court declared the case closed and terminated for failure of Transworld to file the intended petition for review on *certiorari* within the extended reglementary period. Subsequently, the Court issued an Entry of Judgment<sup>[18]</sup> dated February 22, 2012 in G.R. No. 197601 declaring the Court's November 23, 2011 Resolution final and executory.

### **The CA Ruling**

In a Decision<sup>[19]</sup> dated November 16, 2011, the CA denied Ruks's appeal and affirmed the ruling of the RTC. It adhered to the RTC's finding of negligence on the part of Transworld and Ruks which brought about the damage to Adworld's billboard. It found that Transworld failed to ensure that Ruks will comply with the approved

plans and specifications of the structure, and that Ruks continued to install and finish the billboard structure despite the knowledge that there were no adequate columns to support the same.<sup>[20]</sup>

Dissatisfied, Ruks moved for reconsideration,<sup>[21]</sup> which was, however, denied in a Resolution<sup>[22]</sup> dated December 10, 2012, hence, this petition.

On the other hand, Transworld filed another appeal before the Court, docketed as G.R. No. 205120.<sup>[23]</sup> However, the Court denied outright Transworld's petition in a Resolution<sup>[24]</sup> dated April 15, 2013, holding that the same was already bound by the dismissal of its petition filed in G.R. No. 197601.

### **The Issue Before the Court**

The primordial issue for the Court's resolution is whether or not the CA correctly affirmed the ruling of the RTC declaring Ruks jointly and severally liable with Transworld for damages sustained by Adworld.

### **The Court's Ruling**

The petition is without merit.

At the outset, it must be stressed that factual findings of the RTC, when affirmed by the CA, are entitled to great weight by the Court and are deemed final and conclusive when supported by the evidence on record.<sup>[25]</sup> Absent any exceptions to this rule – such as when it is established that the trial court ignored, overlooked, misconstrued, or misinterpreted cogent facts and circumstances that, if considered, would change the outcome of the case<sup>[26]</sup> – such findings must stand.

After a judicious perusal of the records, the Court sees no cogent reason to deviate from the findings of the RTC and the CA and their uniform conclusion that both Transworld and Ruks committed acts resulting in the collapse of the former's billboard, which in turn, caused damage to the adjacent billboard of Adworld.

Jurisprudence defines negligence as the omission to do something which a reasonable man, guided by those considerations which ordinarily regulate the conduct of human affairs, would do, or the doing of something which a prudent and reasonable man would not do.<sup>[27]</sup> It is the failure to observe for the protection of the interest of another person that degree of care, precaution, and vigilance which the circumstances justly demand, whereby such other person suffers injury.<sup>[28]</sup>

In this case, the CA correctly affirmed the RTC's finding that Transworld's initial construction of its billboard's lower structure without the proper foundation, and that of Ruks's finishing its upper structure and just merely assuming that Transworld would reinforce the weak foundation are the two (2) successive acts which were the direct and proximate cause of the damages sustained by Adworld. Worse, both Transworld and Ruks were fully aware that the foundation for the former's billboard was weak; yet, neither of them took any positive step to reinforce the same. They merely relied on each other's word that repairs would be done to such foundation, but none was done at all. Clearly, the foregoing circumstances show that both