

SECOND DIVISION

[G.R. No. 186305, July 22, 2015]

V-GENT, INC., PETITIONER, VS. MORNING STAR TRAVEL AND TOURS, INC., RESPONDENT.

DECISION

BRION, J.:

We resolve the petition for review on *certiorari* filed to challenge the November 11, 2008 Decision and February 5, 2009 Resolution of the Court of Appeals (CA) in **CA-G.R. SP No. 97032**.^[1]

ANTECEDENTS

Sometime in June and in September 1998, the petitioner V-Gent, Inc. (*V-Gent*) bought twenty-six (26)^[2] two-way plane tickets (Manila-Europe-Manila) from the respondent Morning Star Travel and Tours, Inc. (*Morning Star*).

On June 24, 1998 and September 28, 1998, V-Gent returned a total of fifteen (15) unused tickets worth \$8,747.50 to the defendant. Of the 15, Morning Star refunded only six (6) tickets worth \$3,445.62, Morning Star refused to refund the remaining nine (9) unused tickets despite repeated demands.

On December 15, 2000, petitioner V-Gent filed a money claim against Morning Star for payment of the unrefunded \$5,301.88 plus attorney's fees. The complaint was raffled to Branch 2 of the Metropolitan Trial Court (*MeTC*) of Manila and docketed as **Civil Case No. 169296-CV**.

Morning Star countered that V-Gent was not entitled to a refund because the tickets were bought on the airline company's "buy one, take one" promo. It alleged that there were only fourteen (14) unused tickets and only seven (7) of these were refundable; considering that it had already refunded six (6) tickets (which is more or less 50% of 14), then there was nothing else to refund.

Morning Star also questioned V-Gent's personality to file the suit. It asserted that the passengers, in whose names the tickets were issued, are the real parties-in-interest.

On January 27, 2006, after due proceedings, the MeTC dismissed the complaint for lack of a cause of action. Citing Rule 3, Section 3 of the Rules of Court,^[3] the MeTC declared that, as agent of the passengers who paid for the tickets, V-Gent stood as the real party-in-interest. Nevertheless, it still dismissed the complaint because V-Gent failed to prove its claim by a preponderance of evidence.

V-Gent appealed to the Regional Trial Court (*RTC*) and the case was docketed as

Civil Case No. 06-115050.

On September 25, 2006, the RTC granted the appeal after finding that V-Gent had established its claim by a preponderance of evidence. It set aside the MeTC's judgment and ordered Morning Star to pay V-Gent the value of the nine (9) unrefunded tickets plus attorney's fees.

Morning Star filed a petition for review with the CA; the case was docketed as **CA-G.R. SP No. 97032**. Morning Star questioned the RTC's appreciation of the evidence and factual conclusions. It also reiterated its question about V-Gent's legal standing, submitting once again that V-Gent is not the real party-in-interest.

On November 11, 2008, the CA granted the petition for review and dismissed V-Gent's complaint. The CA held that V-Gent is not a real party-in-interest because it merely acted as an agent of the passengers who bought the tickets from Morning Star with their own money.

V-Gent moved for reconsideration, which motion the CA denied on February 5, 2009, thus clearing the way for the present petition for review on *certiorari*.

THE PETITION

V-Gent argues that the CA erred in ruling that it is not the real party-in-interest. It asserts: (1) that the issue of its legal standing to file the complaint has already become final because Morning Star did not appeal the MeTC's ruling on the issue; (2) that it is a real party-in-interest in filing the complaint; and (3) that Morning Star is already estopped from questioning V-Gent's legal standing to file the complaint.

In its Comment, Morning Star counters: (1) that it had no obligation to appeal the MeTC judgment dismissing the complaint in its favor; (2) that the MeTC did not specifically state that V-Gent is the real party-in-interest; (3) that the real parties-in-interest are the passengers named on the tickets; and (4) that it made no admissions that would estop it from denying the refund.

OUR RULING

V-Gent maintains that the MeTC determined that it was the real party-in-interest. It argues that since Morning Star did not appeal this specific finding with the RTC, then the MeTC's ruling on this point had already become final and conclusive; therefore, Morning Star can no longer revive the issue before the CA.

We disagree with V-Gent.

The MeTC dismissed V-Gent's complaint against Morning Starrer *for failure to prove its claim*. This dismissal meant that the plaintiff did not prove a violation of its right for which the defendant should be held liable. This ruling was plainly a judgment in Morning Star's favor and one that it had no cause to question. Indeed, it would be legally illogical for Morning Star to file an appeal to question a ruling of dismissal in its favor.