

## FIRST DIVISION

[ G.R. No. 161777, May 07, 2008 ]

**DOMINIC GRIFFITH, Petitioner, vs. ANGELITO ESTUR, JUAN OFALSA, and ROLANDO EREVE, Respondents.**

### D E C I S I O N

**CARPIO, J.:**

#### The Case

This is a petition for review<sup>[1]</sup> of the Decision<sup>[2]</sup> dated 24 September 2003 and the Resolution dated 16 January 2004 of the Court of Appeals in CA-G.R. SP No. 73663.

#### The Facts

On 25 July 1997, respondents Angelito Estur, Juan Ofalsa, and Rolando Ereve (respondents) filed an amended complaint<sup>[3]</sup> for illegal dismissal, nonpayment of legal holiday pay, 13<sup>th</sup> month pay, and service incentive leave pay against Lincoln Gerald, Inc. (Lincoln) and petitioner Dominic Griffith (petitioner).

Lincoln, a corporation owned by the Griffith family, is engaged in the manufacture of furniture. Respondents alleged that petitioner, the Vice President for Southeast Asia Operations, managed the corporation.

On 4 October 1999, Labor Arbiter Vicente R. Layawen (Labor Arbiter Layawen) decided the case in favor of respondents. The dispositive portion of the decision reads as follows:

WHEREFORE, judgment is hereby entered with the following rulings:

1. Dismissing the complaint of complainant Angelito Estur for illegal dismissal for lack of merit.
2. Ordering respondent(s) to pay Angelito Estur his 13<sup>th</sup> month pay for the (sic) 1996 in the amount of PHP7,930.00, but dismissing his other claims for insufficiency of evidence.
3. Declaring the dismissal of complainants Juan Ofalsa and Rolando Ereve [illegal], and ordering respondents to pay them their backwages from the time of their dismissal up to the rendition of this decision. Due to the apparent strained relationship between complainants and respondents, the latter are directed to pay complainants their separation pay in lieu of reinstatement equivalent to one month salary for every year of service.

4. Their money claims are dismissed for lack of merit.

SO ORDERED.<sup>[4]</sup>

Lincoln filed a notice of appeal on 9 November 1999 but failed to file the required memorandum of appeal. On 6 July 2001, the decision of Labor Arbiter Layawen became final and executory, and the first writ of execution was issued on 2 October 2001.

In February 2002, petitioner received a copy of the first alias writ of execution dated 7 January 2002, issued by Labor Arbiter Jaime Reyno (Labor Arbiter Reyno) directed against him and Lincoln. The first alias writ of execution orders the sheriff:

NOW, THEREFORE, you are hereby commanded to proceed to the premises of **respondent(s) Lincoln Gerald, Inc. and/or Dominic G. Griffith** located at #7 Sheridan corner Pioneer streets, Mandaluyong City or anywhere respondents may be found in the Philippines and collect the total amount of Php 590,828.00 representing their backwages, separation pay and 13<sup>th</sup> month pay **plus execution fee in the amount of PhP 5,408.00** and to turn over the said amount to this Office, for further disposition to the the complainants.<sup>[5]</sup> (Emphasis supplied)

On 19 February 2002, petitioner filed a motion to quash the first alias writ of execution.<sup>[6]</sup> Petitioner alleged in his motion that he was unaware of the labor case filed against him because he was Lincoln's Vice President for Southeast Asia Operations only until 17 September 1997. Petitioner contended that the addition of the execution fee in the writ in effect modified Labor Arbiter Layawen's decision, and thus nullified the writ. Furthermore, petitioner maintained that as an officer of Lincoln, he was not personally liable to pay the judgment debt because he acted in good faith and within the bounds of his authority. Labor Arbiter Reyno denied the motion in an order dated 24 April 2002. Petitioner filed a motion for reconsideration, which the National Labor Relations Commission (NLRC) denied on 16 July 2002.

On 11 September 2002, Labor Arbiter Reyno issued a second alias writ of execution against petitioner and Lincoln.

On 4 November 2002, petitioner filed with the Court of Appeals a petition for certiorari with application for temporary restraining order or preliminary injunction. The Court of Appeals dismissed the petition in its Decision dated 24 September 2003, and subsequently denied petitioner's motion for reconsideration.

Hence, this petition for review.

### **The Ruling of the Court of Appeals**

The Court of Appeals held that the NLRC did not commit grave abuse of discretion in denying petitioner's motion for reconsideration of the Labor Arbiter's order. The appellate court cited Section 19, Rule V of the New Rules of Procedure of the NLRC (NLRC Rules) which prohibits motions for reconsideration of any order or decision of a Labor Arbiter. However, when a motion for reconsideration is filed, it shall be treated as an appeal provided that it complies with the requirements for perfecting an appeal. The Court of Appeals held that petitioner's motion to recall the first alias

writ of execution cannot be treated as an appeal.

Furthermore, the Court of Appeals ruled that the addition of the execution fee did not modify the decision because the NLRC Rules and the NLRC Manual on Execution of Judgment (Sheriff Manual)<sup>[7]</sup> provide for the inclusion of the execution fee which shall be collected from the losing party.

Lastly, the appellate court found no evidence which would substantiate petitioner's claim that as of 17 September 1997, he was no longer connected with Lincoln. There was no evidence that there was a change in the situation of the parties.

### **The Issue**

The sole issue for resolution is whether the Court of Appeals erred in ruling that the NLRC did not commit grave abuse of discretion in upholding the order of Labor Arbiter Reyno, denying the motion to quash the writ.

The issue revolves on the validity of the first alias writ of execution dated 7 January 2002, issued by Labor Arbiter Reyno.

### **The Ruling of the Court**

The petition is without merit.

At the outset, it should be stressed that the 4 October 1999 decision of Labor Arbiter Layawen, finding Lincoln and petitioner solidarily liable to respondents, became final and executory on 6 July 2001. Petitioner, however, persists in challenging Labor Arbiter Layawen's decision by insisting that the judgment debt should have been the sole liability of Lincoln. Petitioner maintains that the writ is defective because it makes him personally liable for the judgment debt even though he was only a corporate officer acting in good faith and within the bounds of his authority. The inclusion of petitioner in the writ as solidarily liable with Lincoln for the backwages, separation pay, and 13<sup>th</sup> month pay of respondents does not make the writ defective. On the contrary, the writ is in accord with the terms of Labor Arbiter Layawen's decision which the writ seeks to enforce.

Labor Arbiter Layawen's decision is already final and executory and can no longer be the subject of an appeal. Thus, petitioner is bound by the decision and can no longer impugn the same.<sup>[8]</sup> Indeed, well-settled is the rule that a decision that has attained finality can no longer be modified even if the modification is meant to correct erroneous conclusions of fact or law.<sup>[9]</sup> The doctrine of finality of judgment is explained in *Gallardo-Corro v. Gallardo*:<sup>[10]</sup>

Nothing is more settled in law than that once a judgment attains finality it thereby becomes immutable and unalterable. It may no longer be modified in any respect, even if the modification is meant to correct what is perceived to be an erroneous conclusion of fact or law, and regardless of whether the modification is attempted to be made by the court rendering it or by the highest court of the land. Just as the losing party has the right to file an appeal within the prescribed period, the winning party also has the correlative right to enjoy the finality of the resolution