

## THIRD DIVISION

[ G.R. No. 151407, February 06, 2007 ]

**INTERCONTINENTAL BROADCASTING CORPORATION,  
PETITIONER, VS. IRENEO PANGANIBAN, RESPONDENT.**

### D E C I S I O N

**AUSTRIA-MARTINEZ, J.:**

Assailed in the present Petition for Review on *Certiorari* under Rule 45 of the Rules of Court is the Resolution<sup>[1]</sup> dated August 21, 2001 of the Court of Appeals (CA) rendered in CA-G.R. SP No. 50283, with the following dispositive portion:

WHEREFORE, the Motion for Reconsideration is DENIED except as to the recall of the award of unpaid commission to respondent Panganiban. The Decision dated July 30, 1999 is maintained subject to the modification that petitioners are ordered to pay respondent Panganiban the amount of P2,521,769.77 as unpaid commissions minus the amounts already paid to him by petitioners in relation thereto.

SO ORDERED.<sup>[2]</sup>

Also assailed is the CA Resolution dated January 9, 2002,<sup>[3]</sup> denying petitioner's motion for reconsideration.

The antecedent facts:

Ireneo Panganiban (respondent) was employed as Assistant General Manager of the Intercontinental Broadcasting Corporation (petitioner) from May 1986 until his preventive suspension on August 26, 1988. Respondent resigned from his employment on September 2, 1988. On April 12, 1989, respondent filed with the Regional Trial Court of Quezon City, Branch 93, Civil Case No. Q-89-2244 against the members of the Board of Administrators (BOA) of petitioner alleging, among others, non-payment of his unpaid commissions.<sup>[4]</sup>

A motion to dismiss was filed by Joselito Santiago, one of the defendants, on the ground of lack of jurisdiction, as respondent's claim was a labor money claim, but this was denied by the RTC per Orders dated October 19, 1990 and November 23, 1990.

Thus, Santiago filed a petition for *certiorari* with the CA, docketed as CA-G.R. SP No. 23821, and in a Decision dated October 29, 1991, the CA granted Santiago's petition for lack of jurisdiction and set aside the RTC's Orders dated October 19, 1990 and November 23, 1990.<sup>[5]</sup>

Thereafter, respondent was elected by the BOA as Vice-President for Marketing in

July 1992. He resigned in April 1993.<sup>[6]</sup>

On July 24, 1996, respondent filed against petitioner a complaint for illegal dismissal, separation pay, retirement benefits, unpaid commissions, and damages.

In a Decision dated September 23, 1997, the Labor Arbiter (LA) ordered respondent's reinstatement with full backwages, and the payment of his unpaid commission in the amount of P2,521,769.77, damages and attorney's fees.<sup>[7]</sup>

Petitioner appealed to the National Labor Relations Commission (NLRC) but due to petitioner's failure to post a bond, the appeal was dismissed on February 26, 1998, in a Decision that was deemed final and executory.<sup>[8]</sup>

Petitioner filed a motion for reconsideration of the NLRC's dismissal, which was denied per Resolution dated March 25, 1998.<sup>[9]</sup>

Petitioner then filed a petition with this Court but the same was referred to the CA in view of the ruling in *St. Martin Funeral Home v. National Labor Relations Commission*, 356 Phil. 811 (1998).<sup>[10]</sup>

On July 30, 1999, the CA rendered its Decision, the dispositive portion of which reads:

WHEREFORE, the instant petition is GRANTED. The challenged Order of February 26, 1998 and Resolution dated March 25, 1998 of public respondent NLRC in NLRC NCR CA 013845-97 as well as the Decision of the Labor Arbiter in NLRC NCR 00-07-04614-96 are hereby annulled, reversed and set aside and the claims of private respondent for reinstatement, backwages and benefits in conjunction with his employment from 1986 to 1988 have prescribed. The complaint in connection with his appointment as Vice-President for Marketing from July, 1992 to April 26, 1993 is within the jurisdiction of the Securities and Exchange Commission and NLRC NCR 00-07-04614-96 is dismissed for lack of jurisdiction.

SO ORDERED.<sup>[11]</sup>

Respondent filed a motion for reconsideration of the CA Decision, and on August 21, 2001, the CA rendered the assailed Resolution.

Petitioner sought reconsideration of the CA Resolution, but it was denied per the assailed Resolution dated January 9, 2002.

Hence, the present petition based on the following grounds:

I.

RESPONDENT HONORABLE COURT OF APPEALS HAS SERIOUSLY ERRED IN DECLARING THAT RESPONDENT PANGANIBAN'S CLAIM FOR ALLEGED UNPAID COMMISSION HAS NOT PRESCRIBED SUPPOSEDLY DUE TO THE FILING OF CIVIL CASE NO. Q-89-2244 WHEN OTHERWISE

RESPONDENT'S CLAIM FOR ALLEGED UNPAID COMMISSIONS HAS ALREADY CLEARLY PRESCRIBED BECAUSE HE HAS NOT FILED HIS CLAIM WITHIN THE THREE (3) YEAR PRESCRIPTIVE PERIOD AND BEFORE A COMPETENT LABOR ARBITER WHO OUGHT TO HEAR HIS ALLEGED MONEY CLAIMS WITHIN THE PROPER TIME.

## II.

RESPONDENT HONORABLE COURT OF APPEALS HAS FURTHER SERIOUSLY ERRED IN DECLARING THAT RESPONDENT PANGANIBAN'S CLAIM FOR ALLEGED UNPAID COMMISSION HAS NOT PRESCRIBED DUE TO THE SUPPOSED ACKNOWLEDGMENT OF THE ALLEGED CLAIM OF THE RESPONDENT BY THE PETITIONER WHEN OTHERWISE RESPONDENT'S CLAIMS FOR ALLEGED UNPAID COMMISSIONS HAS CLEARLY PRESCRIBED BECAUSE THERE WAS NO CONFLUENCE OF DEBTS WHATSOEVER.<sup>[12]</sup>

The main issue in this case is whether or not respondent's claim for unpaid commissions in the amount of P2,521,769.77 has already prescribed.

The CA held that respondent's claim was filed within the three-year prescriptive period under Article 291 of the Labor Code, for the following reasons:

x x x A circumspect review of the antecedents of the claim reveals that it has not in fact prescribed due to the filing of Civil Case No. Q-89-2244 and the express acknowledgments of the claims of respondent Panganiban by petitioners IBC, et al. The chronology of events show the following:

1. Date of resignation of Panganiban - September 2, 1988.
2. Date of filing of Civil Case No. Q-89-2244 - April 12, 1989

From September 2, 1988 up to April 12, 1989, a period of 5 months and 10 days have elapsed. Prescription of action has been interrupted as of April 12, 1989.

3. Date of dismissal of petition in CA-G.R. SP No. 23821 - October 21, 1991.

Prescription of action started to run again starting October 21, 1991.

4. Express acknowledgment of debt by petitioners in a letter sent by Pio S. Kaimo, Jr., Audit Group Head addressed to IBC Gen. Manager Ceferino M. Basilio (Annex A of Motion for Reconsideration) - January 21, 1993.

From date of dismissal of CA-G.R. SP No. 23821 up to the date of express acknowledgment of debt, only a period of 1 year and 3 months has passed by.<sup>[13]</sup>