

[ADMINISTRATIVE ORDER NO. 93, January 20, 1955]

REPRIMANDING MR. EDUARDO TAYLOR AS GENERAL MANAGER OF THE CEBU PORTLAND CEMENT COMPANY.

This is an administrative case against Mr. Eduardo Taylor, general manager of the Cebu Portland Cement Company (CEPOC), who is charged by Congressman Ramon Durano and Messrs. Ramon Ros, Galileo Sotto, Carlos Ramirez and Venancio Dungca with a number of irregularities, including persecution, favoritism, misappropriation and electioneering. Upon my instructions, the charges were investigated by the Department of Justice whose investigator made a thorough inquiry in the premises and submitted an exhaustive report on the case. The Secretary of Justice finds the report to be in accordance with the evidence presented, and I agree with him. For obvious reasons, only those charges wherein the respondent has been found to be somehow wanting or remiss in the discharge of his duties will be taken up here.

Under Congressman Durano's charge that the respondent caused the purchase of low-quality coal at higher cost, it appears that in the resolution of the board of directors of the CEPOC dated March 3, 1949, resuming the purchase of Batan (Albay) coal, it was provided that such purchase would be at P13 per ton f.o.b.. Batan, "the Cebu Portland Cement Company to shoulder the transportation expenses from Batan to Cebu, which will be approximately P10 per ton." From the tenor of the resolution the corporation could have contracted for the transportation of the coal to bring the cost thereof to the lowest possible figure. However, it left the matter entirely in the hands of the supplier who was automatically paid a flat rate of P10 for freightage for every ton delivered. As it was possible that the cost of freight could be less than P10 per ton in view of the increase of bottoms from year to year since liberation, respondent would seem to be negligent in allowing the automatic payment of P10 per ton for freightage without making or ordering an inquiry into the reasonableness of the rate and whether it was the lowest obtainable. Had he done so, the "loss" imputed to him could have been avoided. However, no proof has been adduced that the company might have saved any amount had it contracted for the transportation of the coal itself, as it was possible too that the rate remained stationary at P10 per ton.

Respondent is also charged with having committed acts tending to corrupt and unduly influence the electorate at the expense of the corporation in (a) that he directed, under pain of dismissal if they refused, the officers, employees and laborers of the corporation to vote for the former President and other candidates of the Liberal Party in the last general elections and (b) that he utilized the sum of P100,000 voted by the board of directors for the repair of the roads to the company coal mines in certain municipalities of Cebu for the purpose of buying votes for the abovementioned candidates.

In his defense the respondent denied ever issuing the orders attributed to him in any of the meetings attended by him, although he admitted making known his