

THIRD DIVISION

[G.R. No. 169712, March 14, 2008]

**MA. WENELITA TIRAZONA, Petitioner, vs. COURT OF APPEALS,
PHILIPPINE EDS-TECHNO SERVICE INC. (PET INC.) AND/OR
KEN KUBOTA, MAMORU ONO and JUNICHI HIROSE,
Respondents.**

D E C I S I O N

CHICO-NAZARIO, J.:

Assailed in this Special Civil Action for *Certiorari*^[1] under Rule 65 of the Rules of Court are the Decision^[2] and Resolution^[3] of the Court of Appeals dated 24 May 2005 and 7 September 2005, respectively, in CA-G.R. SP No. 85065. The appellate court's Decision dismissed petitioner Ma. Wenelita Tirazona's Special Civil Action for *Certiorari* and affirmed the Decision^[4] dated 30 January 2004 of the National Labor Relations Commission (NLRC) in NLRC CA No. 034872-03, which ruled that petitioner's dismissal from employment was legal; and its Resolution which denied petitioner's Motion for Reconsideration.

The factual and procedural antecedents of the case are as follows:

Private respondent Philippine EDS-Techno Services Inc. (PET) is a corporation duly registered under Philippine laws and is engaged in the business of designing automotive wiring harnesses for automobile manufacturers. Private respondents Ken Kubota, Mamoru Ono and Junichi Hirose are all Japanese nationals, the first being the President and the latter two being the directors of PET.

On 21 July 1999, PET employed Ma. Wenelita S. Tirazona (Tirazona) as Administrative Manager. Being the top-ranking Filipino Manager, she acted as the liaison between the Japanese management and the Filipino staff.

On 15 January 2002, Fe Balonzo, a rank-and-file employee, wrote a letter^[5] that was addressed to nobody in particular, but was later acquired by PET management. In her letter, Balonzo complained that Tirazona humiliated her while she was reporting back to work after recuperating from a bout of tuberculosis. Balonzo explained that Tirazona insinuated, in a manner loud enough to be heard from the outside, that Balonzo still had the disease. This allegedly occurred despite Balonzo's possession of a medical clearance that proved her fitness to return to work. Balonzo thus requested that the necessary action be undertaken to address the said incident.

Upon receiving the letter, the PET management directed Tirazona to file her comment. Tirazona replied accordingly in a letter^[6] wherein she denied the accusations against her. Tirazona stated that her only intention was to orient

Balonzo about the latter's rights as a sick employee, *i.e.*, that under the law, if the latter planned to resign, the company can give her separation pay. Tirazona likewise asked for an independent investigation and threatened to file a libel case against Balonzo for allegedly trying to destroy her reputation and credibility.

After weighing the situation, PET director Ono sent a memorandum to Tirazona, which reads:

February 8, 2002

To: Mrs. W. Tirazona
Re: Letter-Complaint of Fe S. Balonzo

This is to advise you that Management is satisfied that you did not intend to humiliate or embarrass Ms. Balonzo during the incident on January 14, 2002. It also appreciates the concern you profess for the welfare of PET employees.

Nonetheless, Management finds your handling of the situation less than ideal. Considering the sensitive nature of the issue, a little more circumspection could have readily avoided the incident which it cannot be denied caused unnecessary discomfort and hurt feelings to Ms. Balonzo. Certainly, you could have discussed the matter in private and allowed her to first deliver her piece rather than pre-empt her declaration. As it turned out, your assumption (that Ms. Balonzo would request for a leave extension) was in fact wrong and she had a medical certificate attesting her fitness to return to work.

Management therefore would like to remind you of the high expectations of your position.

Management considers this matter closed, and finds it appropriate to convey to you that it does not view with favor your notice to file legal action. Management believes that you share the idea that issues regarding employee relations are best threshed out within the Company. Resorting to legal action is unlikely to solve but on the contrary would only exacerbate such problems.

We trust that, after emotions have calmed down, you would still see it that way.

(Sgd.)
Mamoru Ono
Director^[7]

On 6 March 2002, Tirazona's counsels sent demand letters^[8] to PET's business address, directed separately to Ono and Balonzo. The letter to Ono states:

February 27, 2002

MR. MAMORU ONO
Director

PET, Inc.
20/F 6788 Ayala Avenue
Oledan Square, Makati City

Dear Mr. Ono:

We are writing in [sic] behalf of our client, **Ms. MA. WENELITA S. TIRAZONA**, Administrative Manager of your corporation.

We regret that on February 8, 2002, you delivered to our client a letter containing among others, your conclusion that Ms. Tirazona was guilty of the unfounded and baseless charges presented by Ms. Fe Balonzo in her letter-complaint dated January 15, 2002. You may please recall that in Ms. Tirazona's letter to Mr. Junichi Hirose, she presented point by point, her side on the allegations made by the complainant. In the same letter, Ms. Tirazona requested for an independent investigation of the case in order to thresh out all issues, ferret out the truth and give her the opportunity to be heard and confront her accuser. These were all denied our client.

As a result of the foregoing, Ms. Tirazona's constitutional right to due process was violated and judgment was rendered by you on mere allegations expressed in a letter-complaint to an unknown addressee.

Considering the position and stature of Mrs. Tirazona in the community and business circles, we are constrained to formally demand payment of P2,000,000.00 in damages, injured feelings, serious anxiety and besmirched reputation that she is now suffering.

We are giving you five (5) days from receipt hereof to make favorable response, otherwise, much to our regret, we will institute legal procedures to protect our client's interests.

Please give this matter the attention it deserves.

Very truly yours,

PRINCIPE, VILLANO, VILLACORTA & CLEMENTE

By:

(Sgd.)
PEDRO S. PRINCIPE

(Sgd.)
GLICERIO E. VILLANO

The letter sent to Balonzo likewise sought the same amount of damages for her allegedly baseless and unfounded accusations against Tirazona.

Because of Tirazona's obstinate demand for compensation, PET sent her a Notice of Charge,^[9] which informed her that they were considering her termination from employment by reason of serious misconduct and breach of trust. According to the

management, they found her letter libelous, since it falsely accused the company of finding her guilty of the charges of Balonzo and depriving her of due process.

On 26 March 2002, Tirazona explained in a letter^[10] that her counsels' demand letter was brought about by the denial of her repeated requests for reinvestigation of the Balonzo incident, and that the same was personally addressed to Mamoru Ono and not to the company. She also reiterated her request for an investigation and/or an open hearing to be conducted on the matter.

The PET management replied^[11] that the Balonzo incident was already deemed a closed matter, and that the only issue for consideration was Tirazona's "ill-advised response to the Management's disposition to the Fe Balonzo incident," for which an administrative hearing was scheduled on 4 April 2002.

On 3 April 2002, Tirazona submitted a written demand^[12] to PET that the Balonzo incident be included in the scheduled hearing. She further stated that since the management had already prejudged her case, she would only participate in the proceedings if the investigating panel would be composed of three employees, one each from the rank-and-file, supervisory, and managerial levels, plus a representative from the Department of Labor and Employment (DOLE).

The PET management rejected Tirazona's demands in a letter^[13] and informed her that the hearing was reset to 10 April 2002, which would be presided by PET's external counsel.

On 10 April 2002, Tirazona and her counsel did not appear at the administrative hearing. The PET management informed them through a memorandum^[14] dated 12 April 2002 that the hearing was carried out despite their absence. Nevertheless, Tirazona was granted a final chance to submit a supplemental written explanation or additional documents to substantiate her claims.

Tirazona's written explanation^[15] dated 17 April 2002 merely reiterated, without further details, her previous claims, to wit: that Balonzo's charges were unfounded and baseless; that she had been denied due process; and that she would not submit herself to an investigating panel that had already prejudged her case. Tirazona also stated that her claim for damages would be justified at the proper forum, and that she admitted to reading a confidential letter addressed to PET directors Ono and Fukuoka, containing the legal opinion of PET's counsel regarding her case.

After finding the explanations unsatisfactory, PET sent Tirazona a Notice of Termination,^[16] which found her guilty of serious misconduct and breach of trust because of her demand against the company and her invasion of PET's right to privileged communication.

Tirazona then instituted with the NLRC a complaint for illegal dismissal, non-payment of salaries, and damages against PET, docketed as NLRC-CA No. 034872-03.

In the Decision^[17] dated 22 January 2003, Labor Arbiter Veneranda C. Guerrero ruled in favor of Tirazona, holding that the latter's termination from employment

was illegal.

The Arbiter declared that there was no breach of trust when Tirazona sent the demand letter, as the same was against Ono in his personal capacity, not against the company. The decision also ruled that PET failed to discharge the burden of proving that the alleged breach of trust was fraudulent and willful, and that the company was careless in handling its communications. The Arbiter further stated that Tirazona was deprived of her right to due process when she was denied a fair hearing.

On appeal by PET, the NLRC reversed the rulings of the Labor Arbiter in a Decision dated 30 January 2004, the dispositive portion of which reads:

WHEREFORE, judgment is hereby rendered SETTING ASIDE the Decision of the Labor Arbiter dated January 27, 2003 and a new one is entered DISMISSING the complaint for lack of merit.^[18]

Contrary to the Labor Arbiter's findings, the NLRC concluded that Tirazona's termination from employment was in accordance with law. It ruled that Tirazona's demand letter addressed to Ono constituted a just cause for dismissal, as the same was "an openly hostile act" by a high-ranking managerial employee against the company.^[19] The NLRC likewise found that PET complied with the notice and hearing requirements of due process, inasmuch as Tirazona's demand for a special panel was without any legal basis. Furthermore, petitioner breached the company's trust when she read the confidential legal opinion of PET's counsel without permission.

The Motion for Reconsideration filed by Tirazona was denied by the NLRC in a Resolution dated 31 May 2004, the dispositive portion of which reads:

WHEREFORE, in view of the foregoing, Complainant-Appellee's Motion for Reconsideration is hereby DISMISSED for lack of merit and our Decision dated 30 January 2004 is thus AFFIRMED with finality.^[20]

Aggrieved, Tirazona instituted with the Court of Appeals a Special Civil Action for *Certiorari* under Rule 65, alleging grave abuse of discretion on the part of the NLRC, docketed as CA-G.R. SP No. 85065.

In a Decision dated 24 May 2005, the appellate court affirmed the NLRC and ruled thus:

WHEREFORE, in consideration of the foregoing, the petition is perforce ***dismissed.***^[21]

Her Motion for Reconsideration having been denied by the appellate court in a Resolution dated 7 September 2005, Tirazona now impugns before this Court the Court of Appeals Decision dated 24 May 2005, raising the following issues:

I.

WHETHER THERE WAS BREACH OF TRUST ON THE PART OF PETITIONER TIRAZONA WHEN SHE WROTE THE TWO MILLION PESO DEMAND LETTER