551 Phil. 182

FIRST DIVISION

[G.R. No. 156037, May 25, 2007]

MERCURY DRUG CORPORATION, PETITIONER, VS. SEBASTIAN M. BAKING, RESPONDENT.

D E C I S I O N

SANDOVAL-GUTIERREZ, J.:

For our resolution is the instant Petition for Review on Certiorari[1] assailing the Decision[2] dated May 30, 2002 and Resolution dated November 5, 2002 of the Court of Appeals in CA-G.R. CV No. 57435, entitled "Sebastian M. Baking, *plaintiff-appellee*, versus Mercury Drug Co. Inc., *defendant-appellant.*"

The facts are:

On November 25, 1993, Sebastian M. Baking, respondent, went to the clinic of Dr. Cesar Sy for a medical check-up. On the following day, after undergoing an ECG, blood, and hematology examinations and urinalysis, Dr. Sy found that respondent's blood sugar and triglyceride were above normal levels. Dr. Sy then gave respondent two medical prescriptions - Diamicron for his blood sugar and Benalize tablets for his triglyceride.

Respondent then proceeded to petitioner Mercury Drug Corporation (Alabang Branch) to buy the prescribed medicines. However, the saleslady misread the prescription for **Diamicron** as a prescription for **Dormicum**. Thus, what was sold to respondent was Dormicum, a potent sleeping tablet.

Unaware that what was given to him was the wrong medicine, respondent took one pill of Dormicum on three consecutive days - November 6, 1993 at 9:00 p.m., November 7 at 6:00 a.m., and November 8 at 7:30 a.m.

On November 8 or on the third day he took the medicine, respondent figured in a vehicular accident. The car he was driving collided with the car of one Josie Peralta. Respondent fell asleep while driving. He could not remember anything about the collision nor felt its impact.

Suspecting that the tablet he took may have a bearing on his physical and mental state at the time of the collision, respondent returned to Dr. Sy's clinic. Upon being shown the medicine, Dr. Sy was shocked to find that what was sold to respondent was Dormicum, instead of the prescribed Diamicron.

Thus, on April 14, 1994, respondent filed with the Regional Trial Court (RTC), Branch 80 of Quezon City a complaint for damages against petitioner, docketed as Civil Case No. Q-94-20193.

After hearing, the trial court rendered its Decision dated March 18, 1997 in favor of respondent, thus:

> WHEREFORE, premises considered, by preponderance of evidence, the Court hereby renders judgment in favor of the plaintiff and against the defendant ordering the latter to pay mitigated damages as follows:
>
> 1. P250,000.00 as moral damages;
>
> 2. P20,000.00 as attorney's fees and litigation expenses;
>
> 3. plus ½% of the cost of the suit.
>
> SO ORDERED.

On appeal, the Court of Appeals, in its Decision, affirmed *in toto* the RTC judgment. Petitioner filed a motion for reconsideration but it was denied in a Resolution dated November 5, 2002.

Hence, this petition.

Petitioner contends that the Decision of the Court of Appeals is not in accord with law or prevailing jurisprudence.

Respondent, on the other hand, maintains that the petition lacks merit and, therefore, should be denied.

The issues for our resolution are:

1. Whether petitioner was negligent, and if so, whether such negligence was the proximate cause of respondent's accident; and

2. Whether the award of moral damages, attorney's fees, litigation expenses, and cost of the suit is justified.

Article 2176 of the New Civil Code provides:

> Art. 2176. Whoever by act or omission causes damage to another, there being fault or negligence, is obliged to pay for the damage done. Such fault or negligence, if there is no pre-existing contractual relation between the parties, is called a quasi-delict and is governed by the provisions of this Chapter.

To sustain a claim based on the above provision, the following requisites must concur: (a) damage suffered by the plaintiff; (b) fault or negligence of the defendant; and, (c) connection of cause and effect between the fault or negligence of the defendant and the damage incurred by the plaintiff.[3]

There is no dispute that respondent suffered damages.

It is generally recognized that the drugstore business is imbued with public interest. The health and safety of the people will be put into jeopardy if drugstore employees will not exercise the highest degree of care and diligence in selling medicines. Inasmuch as the matter of negligence is a question of fact, we defer to

the findings of the trial court affirmed by the Court of Appeals.

Obviously, petitioner's employee was grossly negligent in selling to respondent Dormicum, instead of the prescribed Diamicron. Considering that a fatal mistake could be a matter of life and death for a buying patient, the said employee should have been very cautious in dispensing medicines. She should have verified whether the medicine she gave respondent was indeed the one prescribed by his physician. The care required must be commensurate with the danger involved, and the skill employed must correspond with the superior knowledge of the business which the law demands.[4]

Petitioner contends that the proximate cause of the accident was respondent's negligence in driving his car.

We disagree.

Proximate cause is defined as any cause that produces injury in a natural and continuous sequence, unbroken by any efficient intervening cause, such that the result would not have occurred otherwise. Proximate cause is determined from the facts of each case, upon a combined consideration of logic, common sense, policy, and precedent.[5]

Here, the vehicular accident could not have occurred had petitioner's employee been careful in reading Dr. Sy's prescription. Without the potent effects of Dormicum, a sleeping tablet, it was unlikely that respondent would fall asleep while driving his car, resulting in a collision.

Complementing Article 2176 is Article 2180 of the same Code which states:

> ART. 2180. The obligation imposed by Article 2176 is demandable not only for one's own acts or omissions, but also for those of persons for whom one is responsible.
>
> x x x
>
> The owners and managers of an establishment or enterprise are likewise responsible for damages caused by their employees in the service of the branches in which the latter are employed or on the occasion of their functions.
>
> Employers shall be liable for the damages caused by their employees and household helpers acting within the scope of their assigned tasks, even though the former are not engaged in any business or industry.
>
> x x x
>
> The responsibility treated of in this article shall cease when the persons herein mentioned prove that they observed the diligence of a good father of a family to prevent damage.

It is thus clear that the employer of a negligent employee is liable for the damages caused by the latter. When an injury is caused by the negligence of an employee,