

## THIRD DIVISION

[ G.R. No. 150592, January 20, 2009 ]

**PHILIPPINE AIRLINES, INC., PETITIONER, VS. COURT OF  
APPEALS AND SABINE KOSCHINGER, \* RESPONDENTS.**

### D E C I S I O N

**PUNO, C.J.:**

Before this Court is a Petition for *Certiorari*<sup>[1]</sup> under Rule 65 of the Revised Rules on Civil Procedure assailing the Resolution<sup>[2]</sup> of the Court of Appeals (CA) dated September 4, 2001 in CA-G.R. CV No. 65778.

Respondent Sabine Koschinger (Koschinger) filed a complaint<sup>[3]</sup> for design infringement and damages against petitioner Philippine Airlines, Inc. (PAL) before the Regional Trial Court (RTC) of Makati City. Koschinger claimed PAL used table linens and placemats bearing designs substantially identical to her patented designs in its commercial flights without her consent or authority.

The trial court rendered its Decision<sup>[4]</sup> on July 15, 1998 in favor of Koschinger. PAL appealed the same to the CA.

Meanwhile, on June 23, 1998, the Securities and Exchange Commission (SEC) gave due course to PAL's petition for the appointment of a rehabilitation receiver due to its being a distressed company, pursuant to Presidential Decree No. 902-A. On July 1, 1998, the SEC directed that "[i]n light of the Order of the Commission appointing an Interim Receiver all claims for payment against PAL are deemed suspended."<sup>[5]</sup>

On August 3, 1998, PAL filed before the RTC a Motion for Suspension of Proceedings.<sup>[6]</sup> However, when the RTC failed to act upon the motion, PAL filed before the CA a Reiteration of Motion to Suspend Proceedings<sup>[7]</sup> on May 29, 2000.

On September 4, 2001, the CA issued its assailed Resolution, which reads in part:

[R]ecords show that as early as July 15, 1998, Regional Trial Court, Branch 137, Makati City, rendered its decision in said Civil Case No. 92-186, which is the subject of the instant appeal before this Court, and is now on the completion stage. As a matter of fact, appellant itself has filed its brief. This Court is awaiting for (sic) the appellee's brief. Hence, proceedings below could no longer be stopped because it had terminated.

If it is the proceedings before this Court that appellant wanted to be suspended, the same could not be given due course, as the issue in the instant appeal is:

"WHETHER OR NOT APPELLANT VIOLATED THE PROVISIONS  
OF THE PATENT LAW."

x x x x

The appeal before this Court is not as yet a claim against PAL, it shall determine the issue whether or not there was violation of the Patent Law and the determination of the possible awards, thus, the motion is *DENIED*.

Appellee is given a new period of thirty (30) days from receipt hereof within which to file her brief, otherwise, this case shall be submitted for decision without appellee's brief.

SO ORDERED.<sup>[8]</sup>

Aggrieved, PAL filed the instant Petition to nullify and set aside the said Resolution. PAL alleges that the CA acted with grave abuse of discretion amounting to lack or excess of jurisdiction in issuing the disputed resolution, holding that the "proceedings below could no longer be stopped because it had been terminated" and ordering Koschinger to file her appellee's brief.

The Petition is impressed with merit.

Initially, we resolve the procedural issues raised by respondent.

Respondent, in her Comment, argues that a Petition for *Certiorari* under Rule 65 is not the proper remedy because petitioner had already filed an appeal before the CA. Further, even assuming that the petition was proper, the same should not be granted because the CA did not commit grave abuse of discretion amounting to lack or excess of jurisdiction in issuing the assailed Resolution.

Respondent's arguments are incorrect. While it is true that petitioner's appeal before the CA questions the RTC's July 15, 1998 Decision, the present Petition for *Certiorari* only challenges the CA's September 4, 2001 Resolution. Said Resolution is not a final disposition of the case and, therefore, not appealable. Petitioner, therefore, had no "plain, speedy and adequate remedy in the ordinary course of law."<sup>[9]</sup> Petitioner filed the present petition to stop the CA from hearing the appeal in violation of the SEC's stay order.

Furthermore, we find that the CA indeed committed grave abuse of discretion for the reasons cited below.

Of paramount importance to the resolution of this case is the effect of the order for suspension of payments on the proceedings before the trial court and on PAL's appeal before the CA.

The CA ruled that, first, the proceedings before the trial court could no longer be suspended because these had been terminated and, second, that the appeal before it could not likewise be suspended because the issue before it was not yet a *claim*.

The CA was partially correct in stating that the issue to be resolved before it was

whether or not PAL violated the provisions of the Patent Law.<sup>[10]</sup> However, it failed to consider the fact that the same also carried a prayer for damages. It also incorrectly ruled that the same is not a *claim* such that the proceedings shall be suspended in accordance with the SEC's directive.

Under the *Interim Rules of Procedure on Corporate Rehabilitation*,<sup>[11]</sup> a *claim* shall include all claims or demands of whatever nature or character against a debtor or its property, whether for money or otherwise.<sup>[12]</sup>

The definition is all-encompassing as it refers to *all* actions whether for money or otherwise. There are no distinctions or exemptions.<sup>[13]</sup>

Prior to the promulgation of the *Interim Rules of Procedure on Corporate Rehabilitation*, this Court construed *claim* as referring only to debts or demands pecuniary in nature:

[T]he word "*claim*" as used in Sec. 6(c) of P.D. 902-A refers to debts or demands of a pecuniary nature. It means "the assertion of a right to have money paid. It is used in special proceedings like those before administrative court, on insolvency."

The word "*claim*" is also defined as:

Right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, unsecured.

In conflicts of law, a receiver may be appointed in any state which has jurisdiction over the defendant who owes a claim.

As used in statutes requiring the presentation of claims against a decedent's estate, "claim" is generally construed to mean debts or demands of a pecuniary nature which could have been enforced against the deceased in his lifetime and could have been reduced to simple money judgments; and among these are those founded upon contract.

<sup>[14]</sup>

In subsequent cases, the Court pronounced that "[it] is `not prepared to depart from the well-established doctrines' essentially maintaining that all actions for claims against a corporation pending before any court, tribunal or board shall *ipso jure* be suspended in whatever stage such actions may be found upon the appointment by the SEC of a management committee or a rehabilitation receiver."

<sup>[15]</sup>

Further, this was taken to embrace all phases of the suit, be it before the trial court or any tribunal or before this Court<sup>[16]</sup> such that "no other action may be taken in, including the rendition of judgment during the state of suspension - what are