## Republic of the Philippines SUPREME COURT Manila

## **EN BANC**

G.R. No. L-19439 October 31, 1964

MAURO MALANG SANTOS, plaintiff-appellant,

VS.

MCCULLOUGH PRINTING COMPANY, defendant-appellee.

Tañada Teehankee & Carreon for plaintiff-appellant. Esposo & Usison for defendant-appellee.

PAREDES, J.:

This is an action for damages based on the provisions of Articles 721 and 722 of the Civil Code of the Philippines, allegedly on the unauthorized use, adoption and appropriation by the defendant company of plaintiff's intellectual creation or artistic design for a Christmas Card. The design depicts "a Philippine rural Christmas time scene consisting of a woman and a child in a nipa hut adorned with a star-shaped lantern and a man astride a carabao, beside a tree, underneath which appears the plaintiff's pen name, "Malang."

The complaint alleges that plaintiff Mauro Malang Santos designed for former Ambassador Felino Neri, for his personal Christmas card greetings for the year 1959, the artistic motif in question. The following year the defendant McCullough Printing Company, without the knowledge and authority of plaintiff, displayed the very design in its album of Christmas cards and offered it for sale, for a price. For such unauthorized act of defendant, plaintiff suffered moral damages to the tune of P16, 000.00, because it has placed plaintiff's professional integrity and ethics under serious question and caused him grave embarrassment before Ambassador Neri. He further prayed for the additional sum of P3, 000.00 by way of attorney's fee.

Defendant in answer to the complaint, after some denials and admissions, moved for a dismissal of the action claiming that —

- (1) The design claimed does not contain a clear notice that it belonged to him and that he prohibited its use by others;
- (2) The design in question has been published but does not contain a notice of copyright, as in fact it had never been copyrighted by the plaintiff, for which reason this action is barred by the Copyright Law;
- (3) The complaint does not state a cause of action.

The documentary evidence submitted were the Christmas cards, as originally designed by plaintiff, the design as printed for Ambassador Neri, and the subsequent reprints ordered by other parties. The case was submitted a "Stipulation of Fact" the pertinent portions of which are hereunder reproduced:

- 1. That the plaintiff was the artist who created the design shown in Exhibit A,...
- 2. That the design carries the pen name of plaintiff, MALANG, on its face... and indicated in Exhibit A,...

- 3. That said design was created by plaintiff in the latter part of 1959 for the personal use of former Ambassador Felino Neri; ...
- 4. That former Ambassador Neri had 800 such cards ... printed by the defendant company in 1959, ... which he distributed to his friends in December, 1959;
- 5. That defendant company utilized plaintiff's design in the year 1960 in its album of Christmas card samples displayed to its customers ... .
- 6. That the Sampaguita Pictures, Inc., placed an order with defendant company for 700 of said cards ... while Raul Urra & Co. ordered 200 ..., which cards were sent out by them to their respective correspondent, clients and friends during the Christmas season of 1960;
- 7. That defendant company's use of plaintiff's design was without knowledge, authority or consent of plaintiff;
- 8. That said design has not been copyrighted;
- 9. That plaintiff is an artist of established name, good-will and reputation. ... .

Upon the basis of the facts stipulated, the lower court rendered judgment on December 1, 1961, the pertinent portions of which are recited below:

As a general proposition, there can be no dispute that the artist acquires ownership of the product of his art. At the time of its creation, he has the absolute dominion over it. To help the author protect his rights the copyright law was enacted.

In intellectual creations, a distinction must be made between two classes of property rights; the fact of authorship and the right to publish and/or distribute copies of the creation. With regard to the first, i.e. the fact of authorship, the artist cannot be divested of the same. In other words, he may sell the right to print hundred of his work yet the purchaser of said right can never be the author of the creation.

It is the second right, i.e., the right to publish, republish, multiply and/or distribute copies of the intellectual creation which the state, through the enactment of the copyright law, seeks to protect. The author or his assigns or heirs may have the work copyrighted and once this is legally accomplished any infringement of the copyright will render the infringer liable to the owner of the copyright.

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The plaintiff in this case did not choose to protect his intellectual creation by a copyright. The fact that the design was used in the Christmas card of Ambassador Neri who distributed eight hundred copies thereof among his friends during the Christmas season of 1959, shows that the, same was published.

Unless satisfactorily explained a delay in applying for a copyright, of more than thirty days from the date of its publication, converts the property to one of public domain.

Since the name of the author appears in each of the alleged infringing copies of the intellectual creation, the defendant may not be said to have pirated the work nor guilty of plagiarism Consequently, the complaint does not state a cause of action against the defendant.

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WHEREFORE, the Court dismisses the complaint without pronouncement as to costs.

In his appeal to this Court, plaintiff-appellant pointed five (5) errors allegedly committed by the trial court, all of which bring to the fore, the following propositions: (1) whether plaintiff is entitled to protection, notwithstanding the, fact that he has not copyrighted his design; (2) whether the publication is limited, so as to prohibit its use by others, or it is general publication, and (3) whether the provisions of the Civil Code or the Copyright Law should apply in the case. We will undertake a collective discussion of these propositions.

Under the established facts, We find that plaintiff is not entitled to a protection, the provision of the Civil Code, notwithstanding. Paragraph 33 of Patent Office Administrative Order No. 3 (as amended dated September 18, 1947) entitled "Rules of Practice in the Philippines Patent Office relating to the Registration of Copyright Claims" promulgated pursuant to Republic Act 165, provides, among others, that an intellectual creation should be copyrighted thirty (30) days after its publication, if made in Manila, or within sixty (60) day's if made elsewhere, failure of which renders such creation public property. In the case at bar, even as of this moment, there is no copyright for the design in question. We are not also prepared to accept the contention of appellant that the publication of the design was a limited one, or that there was an understanding that only Ambassador Neri should, have absolute right to use the same. In the first place, if such were the condition then Ambassador Neri would be the aggrieved party, and not the appellant. In the second place, if there was such a limited publication or prohibition, the same was not shown on the face of the design. When the purpose is a limited publication, but the effect is general publication, irrevocable rights thereupon become vested in the public, in consequence of which enforcement of the restriction becomes impossible (Nutt vs. National Institute, 31 F [2d] 236). It has been held that the effect of offering for sale a dress, for example manufactured in accordance with an original design which is not protected by either a copyright or a patent, is to divest the owner of his common law rights therein by virtue of the publication of a 'copy' and thereafter anyone is free to copy the design or the dress (Fashion Originators Guild of America v. Federal Trade Commission, 114 F [2d] 80). When Ambassador Neri distributed 800 copies of the design in controversy, the plaintiff lost control of his design and the necessary implication was that there had been a general publication, there having been no showing of a clear indication that a limited publication was intended. The author of a literary composition has a light to the first publication thereof. He has a right to determine whether it shall be published at all, and if published, when, where, by whom, and in what form. This exclusive right is confined to the first publication. When once published, it is dedicated to the public, and the author loses the exclusive right to control subsequent publication by others, unless the work is placed under the protection of the copyright law. (See II Tolentino's Comments on the Civil Code, p. 433, citing Wright v. Eisle 83 N.Y. Supp. 887.)

CONFORMABLY WITH ALL THE FOREGOING, We find that the errors assigned have not been committed by the lower court. The decision appealed from, therefore, should be, as it is, hereby affirmed. Costs taxed against plaintiff-appellant.

Bengzon, C.J., Bautista Angelo, Concepcion, Reyes, J.B.L., Barrera, Dizon, Makalintal, Bengzon, J. P., and Zaldivar JJ., concur.

Regala, J., took no part.