

RAYMUND STA. MARIA CATABIJAN, doing business under the name and style ST. MATTHEW'S PUBLISHING, Complainant, IPV No. 10-2009-00009

For : Copyright Infringement

-versus-

LA CONCEPCION COLLEGE, INC., Respondent.

NOTICE OF DECISION

FORTUN NARVASA & SALAZAR

Counsel for the Complainant 23rd Floor, Multinational Bancorporation Centre 6805 Ayala Avenue Makati City

LA CONCEPCION COLLEGE, INC. Respondent Kaypian corner Quirino Street San Jose Del Monte, Bulacan

GREETINGS:

Please be informed that Decision No. 2013 - $\underline{0}$ dated February 28, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 28, 2013.

For the Director:

leduce Q. Oate ATTY. EDWIN DANILO A. DAT Director III

Bureau of Legal Affairs

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center



RAYMUND STA. MARIA CATABIJAN, doing business under the name and style ST. MATTHEW'S PUBLISHING, *Complainant*, IPV No. 10-2009-00009

-versus-

For: Copyright Infringement

LA CONCEPCION COLLEGE, INC., Respondent.

Decision No. 2013-____

DECISION

RAYMUND STA. MARIA CATABIJAN ("Complainant")¹ filed a complaint against LA CONCEPCION COLLEGE ("Respondent")² for copyright infringement. The Complainant alleges, among other things, the following:

"3. Mr. Catabijan, through St. Matthew's Publishing, is the owner of subsisting copyrights over the following publications:

BOOK	DATE OF CREATION
Language Enrichment Program for Nursery	January 2, 2006
The New Reading Program for Nursery Updated Edition	February 20, 2002
New Intergrated Science and Health for Preschool Level I	December 12, 2003
Writing Made Fun and Easy -	January 2, 2006
The New Reading Program for Kinder Updated Edition	January 31, 2002
Creative Art Experiences in the Preschool – Book 2 (Revised Edition)	November 28, 2003
The New Mathematics Program for Kinder	January 12, 2005
New Integrated Science and Health for Preschool Level 2	February 19, 2004
Language Enrichment Program for Kinder	January 2, 2006
Writing Made Fun and Easy – Kinder	January 2, 2006
The New Mathematics Program for Prep Upgraded	January 21, 2005

¹ A Filipino with business address at 744 Baltazar St., Guitnang Bayan I, San Mateo, Rizal, Philippines.

² With business address at Kaypian corner Quirino St., San Jose Del Monte, Bulacan, Philippines.

Edition Creative Art Experiences in the Preschool – Book 3	December 4, 2003
Language Enrichment Program for Prep The New Reading Program for Prep	January 2, 2006
Updated Edition New Integrated Science and Health for	February 23, 2002
Preschool Level 3	February 25, 2004

"4. Complainant deposited the foregoing publications with the National Library and secured Certificates of Copyright Registration and Deposit.

"5. On 11 June 2009, a certain Jocelyn B. Carino visited Mr. Catabijan to ask whether the books that she bought from respondent when she enrolled her son at respondent's school were published by St. Matthew's Publishing. Ms. Carino showed Mr. Catabijan the books she bought for kinder level. Mr. Catabijan discovered after comparing his copyrighted works with respondent's books that numerous portions of St. Matthew's Publishing's copyrighted works were being lifted and incorporated by respondent in several works apparently published by respondent without Mr. Catabijan's knowledge and consent. Respondent was selling the six (6) infringing kinder level books for a total sum of P1,000.00.

"6. Mr. Catabijan requested Ms. Carino whether she could do a test-buy to determine what other copyrighted works of St. Matthews were being reproduced by respondent without the knowledge, consent and authority of Mr. Catabijan.

"7. Acting as a poseur-buyer, Ms. Carino bought samples of books from respondent for nursery and prep levels. Respondent is selling four (4) infringing nursery level books for a total sum of P2,100.00 and six (6) infringing prep levels books for a total sum of P2,100.00. On 15, June 2009, Ms. Carino bought these books to St. Matthew's Publishing so that Mr. Catabijan could again compare the published woks of respondent with those of St. Matthew's Publishing.

"8. Mr. Catabijan made a comparison of the contents of his published works and the infringing books of respondent to indicate the extent of the unlawful and unauthorized copying being done by respondent.

"9. Each book published by respondent which has the unauthorized portions of the publications of Mr. Catabijan apparently is being sold by respondent to its students as required reading material. Based on the official receipts, respondent sells its four (4) infringing books for the nursery level for a total amount of P2,100.00; the six (6) infringing books for the kinder level at P1,000.00; while the six (6) infringing books for the prep level at P2,100.00. Respondent has apparently thirty (30) pupils enrolled in its pre-school for this schoolyear 2009-2010. On the other hand, Mr. Catabijan sells his copyrighted materials at the following rates:

ST. MATTHEW'S PUBLISHING BOOK	PRICE (unit)
Language Enrichment Program for Nursery The New Reading Program for Nursery	P158.00
Updated Edition New Integrated Science and Health for	P155.00
Preschool Level I	P155.00
Writing Made Fun and Easy – Nursery The New Reading Program for Kinder	P158.00

2|Page

-

Updated Edition Creative Art Experiences in the Preschool –	P165.00
Book 2 (Revised Edition) The New Mathematics Program for Kinder	P152.00
Upgraded Edition New Integrated Science and Health for	P169.00
Preschool Level 2	P162.00
Language Enrichment Program for Kinder	P168.00
Writing Made Fun and Easy – Kinder The New Mathematics Program for Prep	P182.00
Upgraded Edition	P172.00
Writing Made Fun and Easy - Prep	P165.00
Creative Art Experience in the Preschool- Book 3	P145.00
Language Enrichment Program for Prep The New Reading Program for Prep	P180.00
Updated Edition New Integrated Science and Health for	P175.00
Preschool Level 3	P175.00

"10. Mr. Catabijan, through St. Matthew's Publishing, sent a demand letter dated 30 June 2009 to respondent to, among others, cease and desist from further committing acts of infringement in copying the copyrighted works, to no avail.

"12. Respondent does not have the consent nor authority from Mr. Catabijan to copy portions of the copyrighted works of Mr. Catabijan. Despite the lack of authority from Mr. Catabijan, respondent was able to make the total sum of at least P30,000.00 and at most P63,000.00 from the sales of the infringing materials. Accordingly, after due hearing, respondent should be made to recompense Mr. Catabijan all sales made to their students of all infringing materials, subject to presentation of additional evidence to determine how long respondent had been selling and distributing the infringing materials to its students.

"14. By reason of the infringing acts of respondent, Mr. Catabijan was forced to seek legal counsel in order to protect his interests. Complainant should, therefore, be awarded attorney's fees and expenses of litigation in the amount of not less than Two Hundred Thousand Pesos (P200,000.00).

"16. As an example for the public good and to serve as a deterrent to others similarly disposed in reneging on their just obligations, respondent should be made to pay complainant exemplary damages in the amount of at least than Five Hundred Thousand Pesos (P500,000.00).

"18. By reason of the infringing acts of respondent, it should be made to deliver under oath, for destruction without compensation all infringing copies or devices, as well as plates, molds, or others means for making such infinging copies as this Honorable Office may order, and thereafter having said infringing copies and devices destroyed.

The notices to file Answer and on the summary hearing on the Complainant's application for the issuance of temporary restraining order ("TRO")/preliminary injunction were served upon the Respondent on 09 October 2009.

3 Page

. 0.

During the hearing on 19 October 2009 on the application for injunctive relief, only the Complainant and his counsel were present. The Complainant testified that he is the owner of St. Matthew's Publishing and a copyright owner/holder of various books³, including the following titles⁴:

- 1. "Language Enrichment Program";
- 2. "The New Reading Program for Nursery";
- 3. "New Integrated Science and Health for Pre-school";
- 4. "Writing Made Fun and Easy";
- 5. "The New Reading Program for Kinder"; and
- 6. "Creative Art Experiences".

and which are covered by Certificates of Copyright Registration and Deposit in the National Library.⁵ He averred that he learned through a certain Jocelyn Carino that copies of his book have been photocopied. Carino brought to him photocopied materials of different titles of books which her son was using in Respondent's school and the receipts for the sale of the photocopied books. He paid Carino the amounts indicated in the receipt to compensate her in purchasing the photocopied books ⁶.

According to the Complainant, he was able to identify the photocopied books brought to him by Carino. When he made a side-by-side comparison, he found out that ninety (90) percent of his books was photocopied in the corresponding books sold by the Respondent.⁷ Feeling aggrived, he sent the Respondent a letter made by his counsel with the tenor of a demand for the latter essentially to: 1) acknowledge in print to its students and their parents and/or to the public that complainant is the author of the books respondent have been publishing and/or distributing to them; and 2) cease and desist from infringing complainant's IP rights upon receipt of the letter⁸; otherwise, he will file the corresponding criminal and civil complaints. There being no response to his demand, he asked his lawyer to file a copyright infringement case against the Respondent⁹.

Jocelyn Carino corroborated the Complainant's testimony¹⁰. She testified that on 15 June 2009, she turned over to the Complainant for proper action the photocopied books. According to her, her son is enrolled in the Respondent's school as shown by an "Enrolment Slip/Registration Form"¹¹. When she accompanied her son during the first days of classes in the Respondent's school, she observed that there were about thirteen (13) students in her son's class. She paid the following amounts to the Respondent, as payments for the photocopied books:

1. Two Thousand Four Hundred Fifty Pesos (P2,450.00), with a receipt, dated 06 June 2009, (serial number 19483);

2. One Thousand Pesos (P1,000.00), with receipt, dated 12 June 2009 (serial number 23025);

3. One Thousand Pesos (P1,000.00), with receipt, dated 12 June 2009 (serial number 23026; and

³ Affidavit marked as Exhibit "B"; Transcript of Stenographic Notes ("TSN"), 19 Oct. 2012, p. 4).

⁴ Annexes "B" to "G" of Exhibit "B". ⁵ Exhibits "C-1", "D-1", "E-1", "F-1", "G-1", and "H-1".

⁶ TSN, 19 Oct. 2009, pp. 20-23.

⁷ TSN, 19 Oct. 2009, pp. 24-36.

⁸ Annex "BBB" of the Complaint.

⁹ TSN, 19 Oct. 2009, p. 37-39.

¹⁰ Affidavit marked as Exhibit "KK".

[&]quot; Exhibit "KK-2".

4. Two Thousand Pesos (P2,000.00), with receipt, dated 12 June 2009 (serial number 23162).¹²

and received in turn from the Respondent the photocopied books. Carino averred that she was surprised to see that the paper used in the photocopied books was of low quality which she did not protest as she was thrilled that one of her children would enter private school. When she arrived home, she inspected the books and discovered that the pages were photocopies of the books published by the Complainant's publishing house. She was very familiar with the contents of Complainant's books because her other son who was admitted in a public school was using the books published by the Complainant's publishing house. She noticed that the books she purchased from the Respondent were duplicates of the books published by the Complainant's publishing house, specifically, that these were photocopies of the Complainant's books. She got the Complainant's phone number, called him, and told him that his books were photocopied. She was asked by Complainant if she could buy the Respondent's books for nursery and prep. In buying said books, she made it appear that she will enrol another student for nursery and prep. She was told by the Complainant to bring to his office said books to check if these are indeed existing books.

Carino further testified that she went to the Complainant's office on 11 June 2009, bringing the books she purchased from the Respondent. When the Complainant saw that the photocopied books were taken from his books, he informed her that the Respondent was never authorized to reproduce them. She then turned over, on the same day, the possession of the books to the representatives of the Complainant's publishing house for proper action. In order to learn the extent of respondent's fraudulent and unauthorized practice, she agreed to purchase the other books prescribed by the Respondent for other levels, specifically, that of the nursery and prep levels. She went back to the Respondent's school on 12 June 2009 to purchase the books prescribed for nursery and prep levels. She also turned over these books on 15 June 2009 to the Complainant for proper action.¹³

On 18 November 2009, the Complainant filed a Motion to Declare the Respondent in Default. Accordingly, the Hearing Officer issued on 12 January 2010 Order No. 2010-07 declaring the Respondent in default. Then after, the Complainant presented his evidence on 19 February 2010, whereby it manifested that he is adopting the affidavits/testimonies and object and documentary evidence presented during the hearing on 19 October 2009. The Complainant, however, presented Maryfe K. Pabuna, who testified on the attorney's fees incurred by the Complainant in prosecuting the case. The Complainant filed his Offer of Exhibits on 01 March 2010, and subsequently, his Memorandum on 22 April 2010.

Sec. 177 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

Sec. 177. Copyright or Economic Rights. - Subject to the provisions of Chapter VIII, copyright or economic rights shall consist of the exclusive right to carry out, authorize or prevent the following acts:

177.1. Reproduction of the work or substantial portion of the work;

177.2 Dramatization, translation, adaptation, abridgment, arrangement or other transformation of the work;

177.3. The first public distribution of the original and each copy of the work by sale or other forms of transfer of ownership;

5|Page

11/

¹² Exhibits "KK-1" and "KK-3 to "KK-5"; TSN, 19 Oct. 2009, pp. 50-56.

¹³ (TSN, 19 October 2009, p. 49-69).

177.4. Rental of the original or a copy of an audiovisual or cinematographic work, a work embodied in sound recording, a computer program, a compilation of data and other materials or a musical work in graphic form, irrespective of the ownership of the original or the copy which is the subject of the rental;

177.5. Public display of the original or a copy of the work;

177.6. Public performance of the work; and

177.7 Other communication to the public of the work.

In this regard, the Complainant submitted substantial evidence to prove that the Respondent violated his copyright or economic rights over his works or books. Substantial evidence is that amount of relevant evidence as a reasonable mind might accept as adequate to support a conclusion. It means such evidence which affords a substantial basis from which the fact in issue can be reasonably inferred¹⁴, or as adequate to justify a conclusion¹⁵.

The Complainant proved not only the existence and publication of the following books/titles:

"Language Enrichment Program";
"The New Reading Program for Nursery";
"New Integrated Science and Health for Pre-school";
"Writing Made Fun and Easy";
"The New Reading Program for Kinder", and
"Creative Art Experiences"

but also the copyright registration or deposit of copies thereof with the National Library. He produced during the hearing the books sold by the Respondent to Carino the contents of which are similar to those in his books. The Respondent's books are "Skills Book in Language Nursery", "Skills Book in Reading Nursery", "Skills Book in Science Nursery", "Skills Book in Writing Nursery", "Reading is Wonderful Kinder", and "Wonders in Art Kinder".¹⁶

A scrutiny of the Respondent's books show that these books are just mere reproduction or replication of the Complainant's books. In fact, the Respondent's books have the same number of pages as that of the Complainants. The Respondent literally copied from the Complainant's books the illustrations, figures and images, the sample exercises (in language, reading, science, and art subjects) and the directions on how to do these exercises. Remarkably, except for the quarterly tests and progress charts, the Respondent even copied the tables of contents of the Complainant's books.

Shown below are samples of the contents of the Respondent's books vis-a-vis the Complainant's:

¹⁴ Rubberworld (Phils.), Inc. v. National Labor Relations Commissions, 175 SCRA 450.

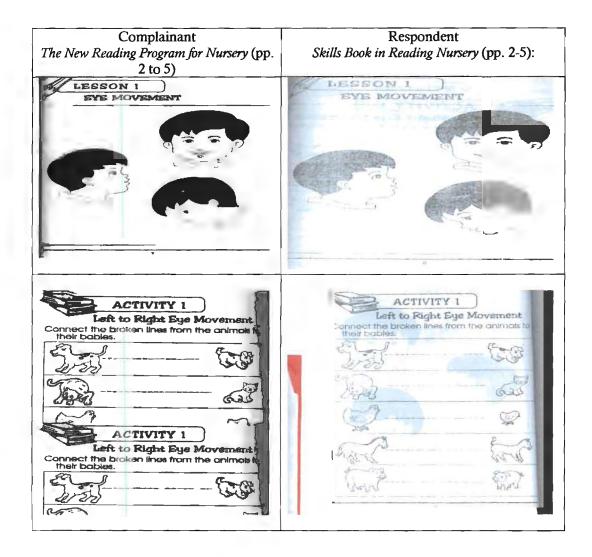
⁵ Remo Foods, Inc. v. National Labor Relations Commission, 249 SCRA 379; Fulgeura v. Linsangan, 251 SCRA 264.

¹⁶ Exhibits "S", "T", "Z", "AA", "BB", and "CC".

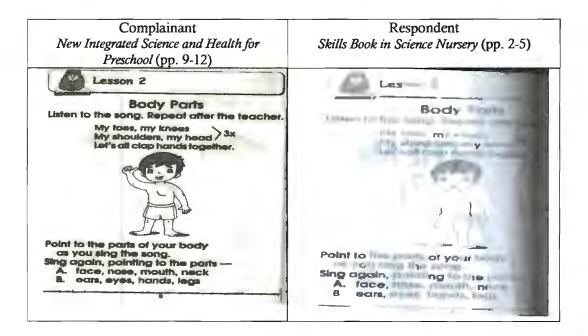


7|Page

elling One's School	Telling One's School
(I go to The Steppingstone) Acodeme. What school do you go to? (I go to The Steppingstone Acodeme. too	Accidiante. What school Accidiante, too.
and a start	A State
Telling One's Grade Level	Telling One's Grade Level
Tro in Numer	I'm in Numery
AT FINE	Carl Anno Antonio

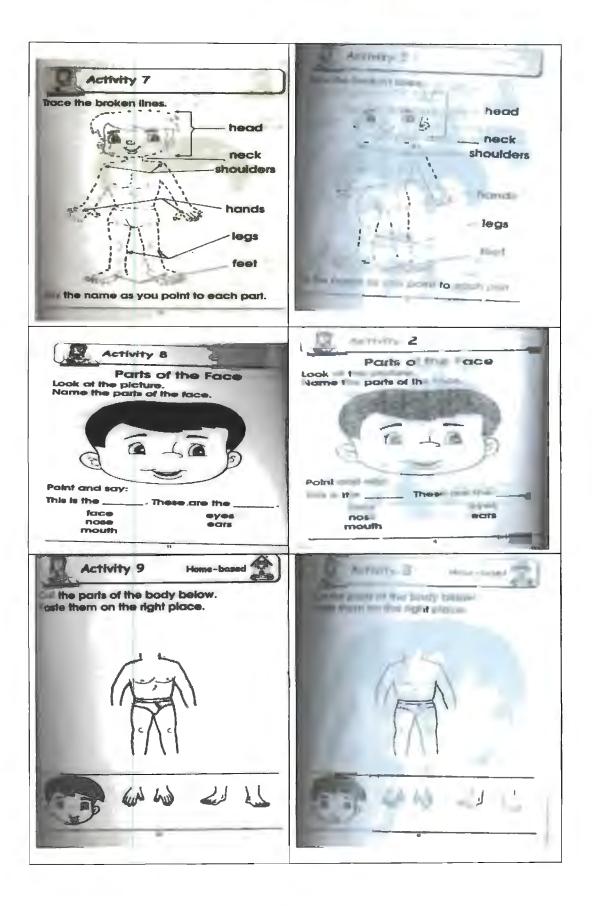


ACIVI Jp-Down E to complete the picture. ACTIVITY 2 In-Down Fire Me ACTIVITY 2 Up-Down Eye Movement Connect the broken lines from the top to the bottom to complete the picture. ACTIVITY 2 Up-Down Eye Movement Connect the broken lines from the top to the bottom to complete the picture. 1 LESSON 2 LESSON 2 VISUAL DISCREMINATION Similarities and Differences VIEUAL DISCRIMINATION Similarities and Differences These things are things or glike. 3 1 these things are These things are **cilierent**.



9|Page

n/

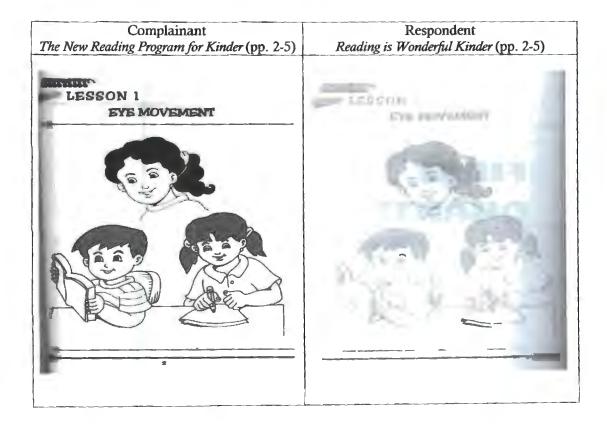


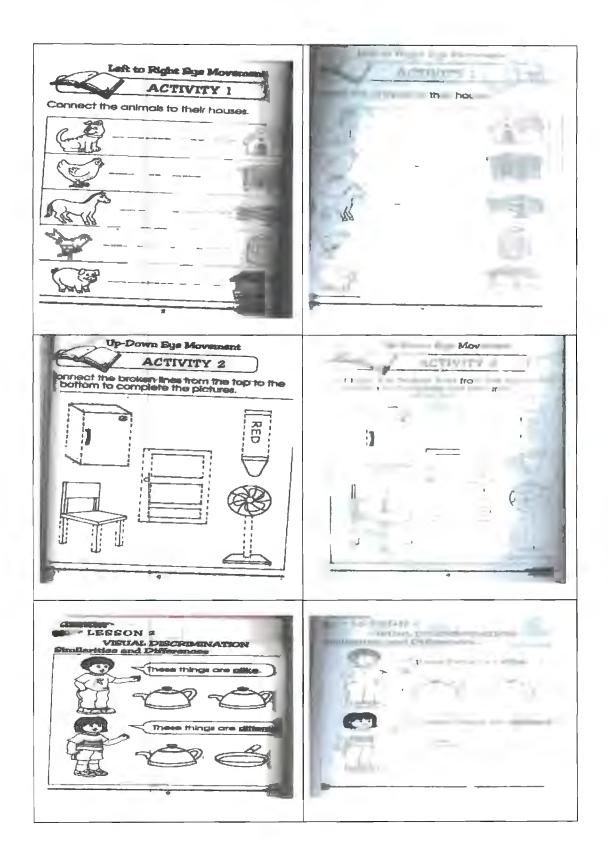


11|Page

λ.

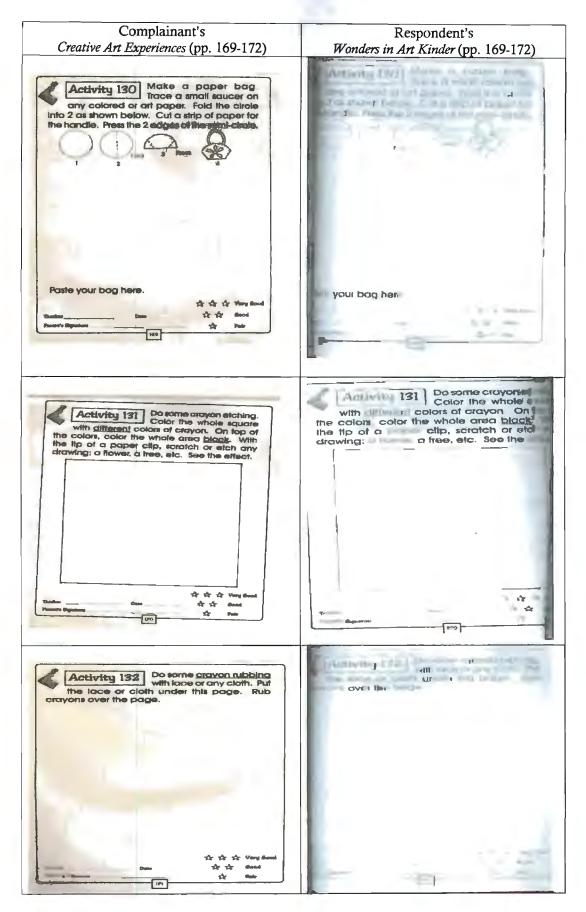




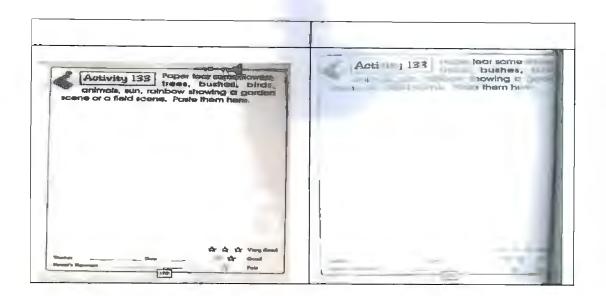


13|Page

N







It was also established that the copying or reproduction by the Respondent of practically the entirety of the Complainant's book is without the consent or authorization of the letter. The Complainant, in fact, was compelled to ask the Respondent to cease and desist from infringing his rights.

While the subject books are used for teaching purposes, the Respondent's acts are not considered limitations to copyright nor compatible with fair use¹⁷. Considering that the Respondent sells the books, the use is commercial in nature. Also, the Complainant's books are also for sale or commercial purposes. Furthermore, the Respondent practically copied or reproduced the Complainant's books in their entirety. Lastly, the Respondent infringing acts in effect imposed an unfair competition against the Complainant.

Worse, the Respondent also deprived the Complainant of his moral right of attribution as ensured by Sec. 193.1 of the IP Code. The Respondent did not heed the Complainant's demand, among other things, that the former acknowledge in print, conveying to its students and the parents, or public that he is the author of the books.

Accordingly, this Bureau finds and concludes that the Respondent is guilty of violating the rights of the Complainant under Part IV (Law on Copyright) of the IP Code. Pursuant to Sec. 10.2(b) of the IP Code, this Bureau has the authority to assess and award damages and to impose upon the Respondent other administrative penalties.

Based on the documentary evidence submitted by the Complainant, particularly receipts relating the Carino's purchase of books from the Respondent, the Complainant is entitled to an award of actual or compensatory damages amounting to P8,450. By way of deterrence against infringement of intellectual property rights and unfair competition, the Respondent should be assessed exemplary damages. Exemplary or corrective damages are imposed, by way of example or correction for the public good, in addition to the moral, temperate, liquidated or compensatory damages. Exemplary damages are designed to permit courts to mould behavior that has socially deleterious consequences, and its imposition is required by public policy to suppress the wanton acts of an offender.¹⁸ In this instance, the Respondent reproduced without authorization, not only one but five of Complainant's books for commercial use. Moreover, the Respondent did not even attribute authorship thereof on the Complainant. Such acts are

15 | Page

¹⁷ See Sections 184 and 185, IP Code.

¹⁸ Victor Kierulf, et al vs Court of Appeals, et al, G.R. Nos. 99301 & 99343, 13 Mar. 1997.

obviously in bad faith, unacceptable to an orderly society and anathema to the Respondent's existence and purpose as an educational institution.

Lastly, considering that the Complainant was constrained to take legal action to protect its right, said party is entitled to an award of attorneys fees. Complainant proved that attorney's fees was incurred and paid for by him in prosecuting the subject infringement case.¹⁹

WHEREFORE, premises considered, the Respondent is hereby found Guilty of violating the rights of the Complainant under Part IV (Law on Copyright) of the IP Code). Accordingly, the Respondent is hereby ordered to pay the Complainant:

- 1. actual damages in the amount of Php8,450;
- 2. exemplary damages in the amount of Php500,000; and
- 3. Attorneys' fees and litigation costs in the amount of Php100,000

and is hereby enjoined from publishing, selling and distributing the infringing books subject of this case, to wit:

- 1. "Language Enrichment Program";
- 2. "The New Reading Program for Nursery";
- 3. "New Integrated Science and Health for Pre-school";
- 4. "Writing Made Fun and Easy";
- 5. "The New Reading Program for Kinder"; and
- 6. "Creative Art Experiences".

Furthermore, it is hereby ordered the condemnation and seizure of all copies of the subject infringing books in the possession or inventory of the Respondent.

SO ORDERED.

Taguig City, 28 February 2013.

Atty. NATHANIEL S. AREVALO Director IV, Bureau of Legal Affairs

¹⁹ Exhibit "CCC"; TSN, 19 Feb. 2010, pp. 7-8.