

Title:

Habana, et. al. vs. Robles and Goodwill Trading Co., Inc.: A Case of Copyright Infringement and Unfair Competition in the Philippines

Facts:

Pacita I. Habana, Alicia L. Cinco, and Jovita N. Fernando, the petitioners, are authors and copyright owners of educational books titled “COLLEGE ENGLISH FOR TODAY” (CET), Books 1 and 2, and “WORKBOOK FOR COLLEGE FRESHMAN ENGLISH”, Series 1. In their search for new textbooks, they discovered “DEVELOPING ENGLISH PROFICIENCY” (DEP), Books 1 and 2, authored by Felicidad C. Robles and distributed by Goodwill Trading Co., Inc., the respondents. Upon comparison, petitioners found striking similarities and alleged instances of plagiarism, leading to a demand for damages and cessation of DEP’s sale, which was ignored by the respondents. Consequently, on July 7, 1988, a suit for “infringement and/or unfair competition with damages” was filed in the Regional Trial Court (RTC), Makati.

The respondents pushed back, with Robles denying plagiarism and asserting DEP was the product of independent research, and Goodwill claiming no privity to the alleged infringement. The trial court, after proceedings, dismissed the complaint, prompting an appeal to the Court of Appeals by the petitioners. The appellate court upheld the trial court’s decision but repealed the award for attorney’s fees.

The petitioners then elevated the matter to the Supreme Court, arguing copyright infringement by highlighting striking similarities between the books.

Issues:

1. Whether the respondents committed copyright infringement despite thematic and sequential similarities between DEP and CET.
2. The presence of animus furandi (intention to steal) based on respondents’ refusal to withdraw DEP from the market.
3. If respondent Robles abused the writer’s right to fair use under Section 11 of Presidential Decree No. 49.

Court’s Decision:

The Supreme Court granted the petition, overturning the appellate court’s decisions, and remanded the case to the trial court for further proceedings. The Court found that Robles’ lifting of substantial portions from CET without acknowledgment constituted copyright

infringement. It was ruled that such actions substantially diminished the value of the petitioners' work and unjustly enriched Robles, thus necessitating a reevaluation of damages for copyright infringement. The Court emphasized copyright laws essentially aim to protect the intellectual property rights of authors against unauthorized reproduction of their works.

Doctrine:

Copyright infringement occurs not only when the entire work, or a significant part of it, is copied, but also when "so much is taken that the value of the original work is substantially diminished." The case also reaffirms the importance of acknowledging sources to avoid allegation of piracy, especially under the umbrella of fair use.

Class Notes:

1. **Copyright Infringement**: Infringement requires that a copyrighted work or substantial part of it is copied without authorization, diminishing its value or the original author's labor.
2. **Fair Use Doctrine**: Utilization of copyrighted material without consent is permissible under certain conditions, such as for educational purposes, provided the source is duly acknowledged.
3. **Animus Furandi**: Intent to steal is considered in copyright infringement cases, particularly when alleged infringers continue to benefit commercially after being put on notice.

Historical Background:

The case highlights the evolving jurisprudence on copyright law in the Philippines, emphasizing the transition from Presidential Decree No. 49 to the Intellectual Property Code of the Philippines (Republic Act No. 8293) while adhering to the principles protecting authors' rights against unauthorized reproduction and infringement of their works.