

****Title:****

Department of Public Works and Highways v. City Advertising Ventures Corp. (799 Phil. 47)

****Facts:****

1. ****Lease Agreement:**** On December 28, 2005, City Advertising Ventures Corporation (respondent) entered a lease with MERALCO Financing Services Corporation to use 5,000 lampposts in Manila for advertising banners.
2. ****Obtaining Permits:**** The respondent obtained necessary sign permits from Quezon City, Pasay, and Makati's Departments of Engineering, and other relevant offices.
3. ****Typhoon Milenyo:**** In September 2006, Typhoon Milenyo caused several billboards in Metro Manila to fall, prompting concerns about billboard safety.
4. ****Administrative Orders:**** On October 4 and 10, 2006, President Gloria Macapagal-Arroyo issued Administrative Orders Nos. 160 and 160-A directing the DPWH to assess and dismantle hazardous billboards.
5. ****Removal of Advertisements:**** Following these orders, the DPWH removed 250 lamppost banners and frames, 12 pedestrian overpass banners, 17 pedestrian overpass frames, and 36 halogen lamps from respondent's sites.
6. ****Legal Action:**** On October 18, 2006, City Advertising Ventures Corp. filed a complaint in the Makati RTC seeking to prevent further removal of its advertising materials.
7. ****Procedural History:****
 - ****RTC:**** The RTC issued a temporary restraining order (TRO) on October 31, 2006, and a writ of preliminary injunction on November 21, 2006, restraining the DPWH from dismantling respondent's banners.
 - The DPWH and MMDA filed an omnibus motion for reconsideration, which the RTC denied on April 11, 2007.
 - ****Court of Appeals:**** DPWH petitioned the Court of Appeals (CA) for certiorari and prohibition, which denied the petition on December 3, 2007, and a motion for reconsideration on May 14, 2008.
 - ****Supreme Court:**** DPWH then filed a petition for review on certiorari under Rule 45 before the Supreme Court.

****Issues:****

1. Did the RTC gravely abuse its discretion in issuing the preliminary injunction?

****Court's Decision:****

****1. Compliance with Standards for Writ of Preliminary Injunction:****

- ****Clear Legal Right:**** The Supreme Court affirmed that the respondent had a clear proprietary right derived from the lease agreement and permits from local government units.

- ****Material Invasion & Irreparable Injury:**** The dismantling of the advertising materials by DPWH was seen as a material invasion of the respondent's right, jeopardizing its business operations.

- ****Procedural Compliance:**** The Supreme Court noted DPWH's failure to follow specific administrative order processes before dismantling the advertisements.

- ****Police Power:**** While DPWH argued for the exercise of police power, the Court emphasized that procedural due process must be observed even under administrative orders.

****Doctrine:****

The case reiterates that for the issuance of a writ of preliminary injunction, there must be:

1. A clear and unmistakable right to be protected.
2. A material and substantial invasion of such right.
3. An urgent need for the writ to prevent irreparable injury.
4. Lack of any other plain, speedy, and adequate remedy.

****Class Notes:****

- ****Elements of Preliminary Injunction:****

1. Clear legal right.
2. Material and substantial invasion.
3. Urgency to prevent irreparable injury.
4. Lack of other remedies.

(Rule 58, Sec. 3, 1997 Rules of Civil Procedure)

- ****Procedural Compliance:**** Government agencies must follow due process, including specific steps outlined in administrative orders before taking actions like dismantling

property (Administrative Orders Nos. 160 and 160-A).

- **Police Power vs. Due Process:** The exercise of police power to ensure public safety must align with due process standards.

Historical Background:

Post-Typhoon Milenyo, severe damage caused by fallen billboards heightened the Philippine government's focus on public safety related to advertising structures. Consequently, President Arroyo's administration issued Administrative Orders enforcing stricter regulations, reflecting broader concerns over public welfare versus private commercial rights. This case exemplifies the judicial balancing of state police power with private property rights and procedural due process.