

**RCA COMMUNICATIONS, INC., PLAINTIFF AND APPELLANT VS.
PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND HON.
FLORENCIO MORENO, IN HIS CAPACITY AS SECRETARY OF PUBLIC
WORKS AND COMM...**

G.R. No. L-13695. December 29, 1960

Ponente: GUTIERREZ DAVID, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/f15de76472b8/>

GUTIERREZ DAVID, J.:

Appellant ECA Communications, Inc., a foreign corporation duly licensed to do business in the Philippines (hereinafter referred to as RCA), is the grantee by assignment of a legislative franchise to operate wireless communication stations between the Philippines and foreign countries. The Philippine Long Distance Telephone Company, one of herein appellees (hereafter referred to as PLDTCO), is a domestic corporation duly organized under the laws of the Philippines, which was granted a legislative franchise under Act No. 3436 to maintain and operate telephone systems in specified routes in the Philippines (sec. 1) and radio-telephonic communications between those routes as well as between the Islands and telephone system of other countries (sec. 2).

On March 20, 1933, PLDTCO entered into an agreement with the American Telephone and Telegraph Company, wherein both companies agreed to establish telephone services between the Philippines and the United States. As it lacked the necessary equipment and facilities, PLDTCO on the same date entered into another agreement with RCA whereby the latter constituted itself a carrier of PLDTCO's telephone messages to and from the United States. For the use of its radio transmitters and receivers as such carrier, RCA, under the agreement, received a share of 75% (later reduced to 50%) of the tolls accruing to PLDTCO. The term of the agreement was for five years and "shall thereafter continue in force until terminated by either party giving the other 24 calendar months previous notice in writing."

On January 3, 1956, PLDTCO sent RCA a notice of termination of its arrangements with the latter, the same to be effective not later than February 2, 1958, and three months later, filed an application with the Secretary of Public Works and Communications, through the Radio Control Board, for authority to construct and operate a radio-telephonic station of its own at Marilao, Bulacan, and for the assignment to it of appropriate radio frequencies. Upon learning of the application, RCA opposed the same on the grounds that the Radio Control Board had no authority to issue the permit applied for before the Public Service Commission has issued the necessary certificate of public necessity and convenience and without the previous approval of the President of the Philippines upon recommendation of the Secretary of Public Works and Communications as provided in PLDTCO's franchise.

Not content with said opposition, RCA filed a petition for prohibition (Civil Case No. 32275) with the Court of First Instance of Manila to prevent the Secretary of Public Works and Communications and the Radio Control Board from proceeding further on PLDTCO's pending application. The lower court, however, upon motion of the respondents, dismissed the petition for lack of cause of action and dissolved the writ of preliminary injunction it

had previously issued, holding that since under the law the location, installation or operation of any radio-telephonic equipment must be passed upon and considered by the Secretary of Public Works and Communications, the said official has the power or jurisdiction to take cognizance of the telephone company's application. From this order of dismissal, RCA appealed and the case was docketed in this Court as G. R. No. L-12937. .

In the meantime, as RCA failed to reinstate the writ of preliminary injunction, the Radio Control Board, upon direction of the Secretary of Public Works and Communications, proceeded to consider PLDTCO's application and on October 31, 1957 issued Construction Permit No. 352, authorizing it to construct and install public trans-oceanic fixed radio stations at Marilao, Bulacan, and allocating to it certain radio frequencies for the operation thereof. Reconsideration of the issuance of the permit having been denied by the Secretary of Public Works and Communications, RCA on December 26, 1957, filed the present action in another branch of the Court of First Instance of Manila (Civil Case No. 34670) praying for injunction to restrain PLDTCO from operating the overseas radio-telephone service which it proposes to operate under Construction Permit No. 352. The complaint alleged, among other things, that the legislative franchise purporting to authorize PLDTCO to operate overseas radio-telephone service was unconstitutional; that for said PLDTCO to be able to operate the proposed service, it was duty bound to secure first a permit from the President of the Philippines upon recommendation of the Secretary of Public Works and Communications, and the necessary authority from the Public Service Commission ; and that the approval by the Secretary of Public Works and Communications of the construction permit in favor of PLDTCO without previous hearing and opportunity to plaintiff RCA to present evidence in support of its opposition was without due process of law. PLDTCO opposed the issuance of a writ of preliminary injunction as prayed for in the complaint, and together with the defendant Secretary of Public Works and Communications, moved for the dismissal of the action on the grounds of pendency of another (the prohibition case) between the same parties for the same cause and of lack of cause of action. Sustaining the motion on both grounds, the trial court in an order dated January 30, 1958 dismissed the case. Reconsideration of the said order having been denied, RCA appealed directly to this Court.

The appeal is without merit.

There is, obviously, not only identity of parties but also identity of rights asserted and relief prayed for between the prohibition case (G. R. No. 12937) and the present action for injunction. The real issue between the parties in both cases, is whether or not the Secretary of Public Works and Communications has the power or jurisdiction to authorize PLDTCO to construct and operate a radio station for overseas telephone services, it being alleged by RCA that such authority or jurisdiction is vested in the President of the Philippines and in the Public Service Commission. The fact that the prohibition case was instituted before the construction permit was granted, while the case at bar was filed after such permit had been granted is of no legal consequence. The essential cause of action in both cases is the same and, needless to say, the decision in the prohibition case will necessarily dispose of the issues in the present complaint and conclude the controversy between the parties.

Neither may it validly be argued that there is no identity of relief prayed for since the remedies resorted to in the two cases are different. Well settled is the rule that a party cannot, by varying the form of action, or adopting a different method of presenting his case, escape the operation of the principle that one and the same cause of action shall not be twice litigated between the same parties or their privies. (Francisco vs. Bias, et al., 93 Phil., 1; Wenzel, etc., et al. vs. Surigao Consolidated Mining Co., Inc., et al., 108 Phil., 530; 57 Off. Gaz., [39] 6958; Evangelista vs. Court of Agrarian Relations of Iloilo, et al., 109 Phil., 961; 60 Off. Gaz., [48] 7932.)

It is true that in the present case, RCA also claims that the franchise of PLDTCO in section 2 of Act No. 3436—authorizing it to operate overseas radio-telephonic communication service—is unconstitutional, the same not being

included in the title of said Act, and that the grant of the' construction permit was in violation of the law on due process since RCA was not given opportunity to be heard in support of its opposition. The issue of the constitutionality of the franchise of PLDTCO to operate overseas radio-telephone service, however, was never raised in the prior prohibition case and is being raised for the first time in the present action for injunction. In this connection, it should be stated that this Court on July 31, 1959 rendered its decision in the prohibition case (G. R. No. L-12937), dismissing RCA's appeal and upholding the power or jurisdiction of the Secretary of Public Works and Communications to hear the application as well as the authority of PLDTCO to engage in overseas telephone services under the provisions of its legislative franchise. Pursuant to the principle of res judicata that judgment is conclusive as to future proceedings at law not only as to every matter which was offered and received to sustain the claim or demand, but as to any other admissible matter that could have been offered for that purpose. (Roa vs. De la Cruz et al., 107 Phil., 8; 60 Off. Gaz., [31] 4624.)

As to the claim that the issuance of the construction permit was without due process, the Secretary of Public Works and Communications not having given RCA the opportunity to present evidence in support of its opposition to PLDTCO's application, suffice it to say that in administrative proceedings, hearing is only necessary in those cases where the statute so requires. A cursory reading of the Radio Control Law (Act No. 3846, as amended) shows that, unlike in other proceedings or instances specified in section 3, paragraphs d and 1, of the said law, no hearing is required in the consideration by the Secretary of Public Works and Communications of any application for the installation, establishment, or operation of a radio station (paragraph k). At any rate, even assuming that a hearing is required, RCA must be considered to have waived its right thereto, its counsel having addressed a letter to the Radio Control Board saying that "little would be gained by arguing the matter both before yourselves and before the Public Service Commission."

In view of the foregoing, we deem it idle to pass upon the other questions raised by the parties.

Wherefore, the order appealed from is affirmed, with costs against appellant.

Paras, C.J., Bengzon, Bautista Angelo, Labrador, Reyes, J.B.L., Barrera, Paredes, and Dizon, JJ., concur.

Order affirmed.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.