

**HECTOR C. VILLANUEVA, PETITIONER, VS. PHILIPPINE DAILY INQUIRER, INC., LETTY JIMENEZ MAGSANOC, ROSAURO G. ACOSTA, JOSE MARIA NOLASCO, ARTEMIO T. ENGRACIA, JR., RAFAEL CHEEKEE, A...**

*G.R. NO. 164437. May 15, 2009*

Ponente: QUISUMBING, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-164437/>

---

**QUISUMBING, J.:**

This petition for review on certiorari assails the Amended Decision[1] dated May 25, 2004 of the Court of Appeals in CA-G.R. CV No. 54134, reversing the Decision[2] of the Regional Trial Court (RTC) of Negros Oriental, Dumaguete City, Branch 44 in Civil Case No. 206-B, which had awarded damages to petitioner for respondents' false reporting.

The basic facts in this case are uncomplicated.

Petitioner was one of the mayoralty candidates in Bais, Negros Oriental during the May 11, 1992 elections.

On March 30, 1990, Ricardo Nolan, another mayoralty candidate, petitioned for the disqualification of petitioner from running in the elections. Said petition, however, was denied by the COMELEC.[3]

Two days before the elections, or on May 9, 1992, respondent Manila Daily Bulletin Publishing Corporation (Manila Bulletin) published the following story:

The Comelec has disqualified Hector G. Villanueva as Lakas-NUCD candidate for mayor of Bais City for having been convicted in three administrative cases for grave abuse of authority and harassment in 1987, while he was officer-in-charge of the mayor's office of Bais City.[4] [Emphasis and underscoring supplied.]

A day before the elections or on May 10, 1992, respondent Philippine Daily Inquirer, Inc. (PDI) also came out with a similar story, to wit:

The Commission on Elections disqualified Hector G. Villanueva as Lakas-NUCD candidate for mayor of Bais City for having been convicted in three administrative cases for grave abuse of authority and harassment in 1987, while he was the officer-in-charge of the mayor's office in the city.

The Comelec upheld the recommendation of the Comelec office in Bais City, stressing that Villanueva's conviction in the administrative cases barred him from seeking any elective office.

The Comelec cited Section 40 of the Local Government Code of 1991, which provides that among those who are disqualified from running for any elective position are "those removed from office as a result of an administrative case."

Villanueva was appointed Bais City OIC on April 18, 1986 by then Local Government Minister Aquilino Pimentel. Sometime during the same year, three administrative cases were instituted against Villanueva before the Department of Local Government upon complaint of Rebecca V. Fernandez and Dr. Harte C. Fuentes.

Sometime in May 1987, the ministry found Villanueva "guilty as charged" and ordered him removed from his position as OIC of the city government, which decision was approved by Minister Jaime Ferrer.

In the same month, Francisco G. Villanueva was appointed OIC Mayor to replace Hector Villanueva who had been removed from office.

The poll body also stated that insofar as the penalty of the removal is concerned, this cannot be reversed anymore, and consequently cannot be the subject matter of an appeal.

The indefinite term as OIC to which respondent was appointed in 1986 already lapsed, with the holding of the 1988 local elections and the assumption of office of those elected therein.[5] [Emphasis and underscoring supplied.]

On May 11, 1992, the national and local elections were held as scheduled. When results came out, it turned out that petitioner failed in his mayoralty bid.

Believing that his defeat was caused by the publication of the above-quoted stories, petitioner sued respondents PDI and Manila Bulletin as well as their publishers and editors for damages before the RTC of Bais City. He alleged that the articles were "maliciously timed" to defeat him. He claimed he should have won by landslide, but his supporters reportedly believed the news items distributed by his rivals and voted for other candidates. He asked for actual damages of P270,000 for the amount he spent for the campaign, moral damages of P10,000,000, an unspecified amount of exemplary damages, attorney's fees of P300,000 and costs of suit.[6]

Respondents disclaimed liability. They asserted that no malice can be attributed to them as they did not know petitioner and had no interest in the outcome of the election, stressing that the stories were privileged in nature.[7]

According to Manila Bulletin reporter Edgardo T. Suarez, he got the story during a COMELEC commissioner's press briefing. He, however, came in late and only a fellow reporter told him that the disqualification case against petitioner was granted. He did not bother to get a confirmation from anyone as he had a deadline to beat.[8]

PDI political section editor Carlos Hidalgo, on the other hand, said that he got the story from a press release. He claimed that he found the press release on his desk the day Manila Bulletin published the same story. The press release bore COMELEC's letterhead and was signed by one Sonia Dimasupil, a former Malaya newspaper editor who was in-charge of COMELEC press releases. He tried to contact her but she was out of the office. Since the news item was also published in the Manila Bulletin, he felt confident the press release was authentic. He however failed to produce the press release in court.[9]

On April 18, 1996, the trial court rendered a decision in favor of petitioner as follows:

WHEREFORE FOREGOING CONSIDERED, this Court holds that defendants Philippine Daily Inquirer, [Inc.] and Manila [Daily] Bulletin Publishing Corporation with their respective officers are liable [for] damages to plaintiff in the following manner:

- As moral damages, the Philippine Daily Inquirer, [Inc.] and the Manila [Daily] Bulletin Publishing Corporation are ordered to pay P1,000,000.00 each to plaintiff;
- Both defendants are likewise ordered to pay an exemplary damage in the amount of P500,000.00 each;
- To pay plaintiff's attorney's fees in the amount of P100,000.00;
- And to pay the costs.

SO ORDERED.[10]

The trial court found the news items derogatory and injurious to petitioner's reputation and candidacy. It faulted respondents for failing to verify the truth of the news tips they published and held respondents liable for negligence, citing *Policarpio v. Manila Times Pub. Co., Inc.*[11] The trial court also ruled that because the news items lacked truth and fairness, they were not privileged communications.

On appeal by respondents, the Court of Appeals dismissed the complaint. It explained that although the stories were false and not privileged, as there is no proof they were obtained from a press conference or release, respondents were not impelled by malice or improper motive. There was also no proof that petitioner's supporters junked him due to the reports. Neither was there any proof he would win, making his action unfounded.

Before us, petitioner raises the lone issue of whether:

[THE] HONORABLE APPELLATE COURT COMMITTED ... GRAVE ABUSE OF DISCRETION AMOUNTING TO UTTER LACK OF JURISDICTION WHEN IT UNILATERALLY, UNPROCEDURALLY AND ARBITRARILY CHANGED THE PLEADING-BORNE AND PRE-TRIAL ORDER DELINEATED THEORY OF QUASI-DELICT OF APPELLEE, THEREBY DISMISSING THE CASE FOR FAILURE TO EVIDENCE AN ESSENTIAL REQUISITE OF ITS IMPOSED IRRELEVANT THEORY.[12]

Simply stated, we are asked to resolve the issue of whether petitioner is required to prove malice to be entitled to damages.

Petitioner argues that his cause of action is based on quasi-delict which only requires proof of fault or negligence, not proof of malice beyond reasonable doubt as required in a criminal prosecution for libel. He argues that the case is entirely different and separate from an independent civil action arising from libel under Article 100[13] of the Revised Penal Code. He claims he proffered proofs sustaining his claim for damages under quasi-delict, not under the law on libel, as malice is hard to prove. He stresses that nowhere in the complaint did he mention libel, and nothing in his complaint shows that his cause of action had some shade of libel as defined in the Revised Penal Code. He also did not hint a resort to a criminal proceeding for libel.[14]

PDI and its officers argue that petitioner's complaint clearly lays a cause of action arising from libel as it highlights malice underlying the publications. And as malice is an element of libel, the appellate court committed no error in characterizing the case as one arising from libel.[15] For their part, Manila Bulletin and its officers claim that petitioner changed his theory, which must be disallowed as it violates respondents' right to due process. Although petitioner's claim for damages before the trial court hinged on the erroneous publications, which he alleged were maliciously timed, he claims in his petition before this Court that his cause of action is actually one for quasi-delict or tort. They stress that the prayer and allegations in petitioner's complaint, which never alleged quasi-delict or tort but malicious publication as basis for the claim for damages, control his case theory. Thus, it may not be altered unless there was an amendment of the complaint to change the cause of action. They claim that petitioner's initiatory pleading and the trial court's pre-trial order and decision reveal that his cause of action for damages arose from the publications of the "malicious" articles; hence, he should have proved actual malice to be entitled to any award of damages. They added that the appellate court correctly ruled that the articles were not published with actual malice.[16]

We rule in favor of the respondents.

Basic is the rule that what determines the nature of an action as well as which court has jurisdiction over it are the allegations of the complaint and the character of the relief sought.[17] The nature of a pleading is determined by allegations therein made in good faith, the stage of the proceeding at which it is filed, and the primary objective of the party filing the same. The ground chosen or the rationale adopted by the court in resolving the case does not

determine or change the real nature thereof.

The complaint was denominated as one for "damages", and a perusal of its content reveals that the factual allegations constituted a complaint for damages based on malicious publication. It specifically pointed out that petitioner lost the election because of the bad publicity created by the malicious publication of respondents PDI and Manila Bulletin. It is alleged numerous times that the action for damages stemmed from respondents' malicious publication. Petitioner sought that respondents be declared guilty of irresponsible and malicious publication and be made liable for damages. The fact that petitioner later on changed his theory to quasi-delict does not change the nature of petitioner's complaint and convert petitioner's action into quasi-delict. The complaint remains to be one for damages based on malicious publication.

Consequently, as the issue of malice was raised, it was incumbent on petitioner to prove the same. The basic rule is that mere allegation is not evidence, and is not equivalent to proof.[18] As correctly stated by the Court of Appeals, while the questioned news item was found to be untrue, this does not necessarily render the same malicious.

To fully appreciate the import of the complaint alleging malice and damages, we must recall the essence of libel.

Libel is defined as "a public and malicious imputation of a crime, or of a vice or defect, real or imaginary, or any act, omission, condition, status, or circumstance tending to cause the dishonor, discredit, or contempt of a natural person or juridical person, or to blacken the memory of one who is dead." [19] Any of these imputations is defamatory and under the general rule stated in Article 354 of the Revised Penal Code, every defamatory imputation is presumed to be malicious.[20] The presumption of malice, however, does not exist in the following instances:

- A private communication made by any person to another in the performance of any legal, moral, or social duty; and
- A fair and true report, made in good faith, without any comments or remarks, of any judicial, legislative, or other official proceedings which are not of confidential nature, or of any statement, report, or speech delivered in said proceedings, or of any other act performed by public officers in the exercise of their functions.[21]

We note that the publications or articles in question are neither private communications nor true reports of official proceedings without any comments or remarks. However, this does not necessarily mean that the questioned articles are not privileged. The enumeration under Art. 354 is not an exclusive list of qualified privileged communications since fair commentaries on matters of public interest are likewise privileged and constitute a valid defense in an action for libel or slander.[22] The rule on privileged communication had its genesis not in the nation's penal code but in the Bill of Rights of the Constitution guaranteeing freedom of speech and of the press. As early as 1918, in *United States v. Cañete*, [23] this Court ruled that publications which are privileged for reasons of public policy are protected by the constitutional guaranty of freedom of speech.[24]

In the instant case, there is no denying that the questioned articles dealt with matters of public interest. These are matters about which the public has the right to be informed, taking into account the very public character of the election itself. For this reason, they attracted media mileage and drew public attention not only to the election itself but to the candidates. As one of the candidates, petitioner consequently assumed the status of a public figure within the purview of *Ayers Productions Pty. Ltd. v. Capulong*. [25]

But even assuming a person would not qualify as a public figure, it would not necessarily follow that he could not validly be the subject of a public comment. For he could; for instance, if and when he would be involved in a public issue. If a matter is a subject of public or general interest, it cannot suddenly become less so merely

because a private individual is involved or because in some sense the individual did not voluntarily choose to become involved. The public's primary interest is in the event; the public focus is on the conduct of the participant and the content, effect and significance of the conduct, not the participant's prior anonymity or notoriety.[26]

In any event, having been OIC-Mayor of Bais City after the People Power Revolution, petitioner in this case as early as 1992 was already a well-known official and public figure.

However, it must be stressed that the fact that a communication or publication is privileged does not mean that it is not actionable; the privileged character simply does away with the presumption of malice, which the plaintiff has to prove in such a case.[27] That proof in a civil case must of course be based on preponderance of evidence. This, however, petitioner failed to do in this case.

Under the current state of our jurisprudence, to be considered malicious, the libelous statement must be shown to have been written or published with the knowledge that they are false or in reckless disregard of whether they are false or not. "Reckless disregard of what is false or not" means that the author or publisher entertains serious doubt as to the truth of the publication, or that he possesses a high degree of awareness of their probable falsity.[28]

In the instant case, we find no conclusive showing that the published articles in question were written with knowledge that these were false or in reckless disregard of what was false or not. According to Manila Bulletin reporter Edgardo T. Suarez, he got the story from a fellow reporter who told him that the disqualification case against petitioner was granted. PDI, on the other hand, said that they got the story from a press release the very same day the Manila Bulletin published the same story. PDI claims that the press release bore COMELEC's letterhead, signed by one Sonia Dimasupil, who was in-charge of COMELEC press releases. They also tried to contact her but she was out of the office. Since the news item was already published in the Manila Bulletin, they felt confident the press release was authentic. Following the narration of events narrated by respondents, it cannot be said that the publications, were published with reckless disregard of what is false or not.

Nevertheless, even assuming that the contents of the articles turned out to be false, mere error, inaccuracy or even falsity alone does not prove actual malice. Errors or misstatements are inevitable in any scheme of truly free expression and debate. Consistent with good faith and reasonable care, the press should not be held to account, to a point of suppression, for honest mistakes or imperfections in the choice of language. There must be some room for misstatement of fact as well as for misjudgment. Only by giving them much leeway and tolerance can they courageously and effectively function as critical agencies in our democracy.[29]

A newspaper, especially one national in reach and coverage, should be free to report on events and developments in which the public has a legitimate interest with minimum fear of being hauled to court by one group or another on criminal or civil charges for malice or damages, i.e. libel, so long as the newspaper respects and keeps within the standards of morality and civility prevailing within the general community.[30] Likewise, in our view respondents' failure to counter-check their report or present their informant should not be a reason to hold them liable. While substantiation of the facts supplied is an important reporting standard, still, a reporter may rely on information given by a lone source although it reflects only one side of the story provided the reporter does not entertain a "high degree of awareness of [its] probable falsity." [31] Petitioner, in this case, presented no proof that respondents entertained such awareness. Failure to present respondents' informant before the court should not be taken against them.[32] Worth stressing, jurisprudence instructs us that a privileged communication should not be subjected to microscopic examination to discover grounds for malice or falsity. Such excessive scrutiny would defeat the protection which the law throws over privileged communications. The ultimate test is that of bona fides.[33]

Further, worthy of note, before the filing of the complaint, respondents herein received no word of protest, exception or objection from petitioner. Had the error in the news reports in question been pointed out by interested parties to the respondents, their publishers and editors could have promptly made a rectification through print and broadcast media just before and during the election day deflecting thereby any prejudice to petitioner's political or personal interest. As aptly observed in *Quisumbing v. Lopez, et al.*:<sup>[34]</sup>

Every citizen of course has the right to enjoy a good name and reputation, but we do not consider that the respondents, under the circumstances of this case, had violated said right or abused the freedom of the press. The newspapers should be given such leeway and tolerance as to enable them to courageously and effectively perform their important role in our democracy. In the preparation of stories, press reporters and editors usually have to race with their deadlines; and consistently with good faith and reasonable care, they should not be held to account, to a point of suppression, for honest mistakes or imperfection in the choice of words.<sup>[35]</sup> [Emphasis supplied.]

We find respondents entitled to the protection of the rules concerning qualified privilege, growing out of constitutional guaranties in our Bill of Rights. We cannot punish journalists including publishers for an honest endeavor to serve the public when moved by a sense of civic duty and prodded by their sense of responsibility as news media to report what they perceived to be a genuine report. Media men are always reminded of their responsibilities as such. This time, there is also a need to remind public figures of the consequences of being one. Fittingly, as held in *Time, Inc. v. Hill*,<sup>[36]</sup> one of the costs associated with participation in public affairs is an attendant loss of privacy.

Exposure of the self to others in varying degrees is a concomitant of life in a civilized community. The risk of this exposure is an essential incident of life in a society which places a primary value on freedom of speech and of press. "Freedom of discussion, if it would fulfill its historic function in this nation, must embrace all issues about which information is needed or appropriate to enable the members of society to cope with the exigencies of their period."<sup>[37]</sup>

On petitioner's claim for damages, we find no evidence to support their award. Indeed, it cannot be said that respondents published the questioned articles for the sole purpose of harassing petitioner. Proof and motive that the publication was prompted by a sinister design to vex and humiliate petitioner has not been clearly and preponderantly established to entitle the petitioner to damages. There remains unfulfilled the need to prove that the publications were made with actual malice - that is, with the knowledge of the publications' falsity or with reckless disregard of whether they were false or not.<sup>[38]</sup> Thus, from American jurisprudence as amplified in *Lopez v. Court of Appeals*:

For liability to arise then without offending press freedom, there is this test to meet: "The constitutional guarantees require, we think, a federal rule that prohibits a public official from recovering damages for a defamatory falsehood relating to his official conduct unless he proves that the statement was made with 'actual malice'-- that is, with knowledge that it was false or with reckless disregard of whether it was false or not." The United States Supreme Court went further in *Curtis Publishing Co. v. Butts*,<sup>[39]</sup> where such immunity, was held as covering statements concerning public figures regardless of whether or not they are government officials. Why there should be such an extension is understandable in the light of the broad scope enjoyed by press freedom which certainly allows a full and free discussion of public issues. What can be more logical and appropriate, then, than such an expansion of the principle. As noted by a commentator: "Since discussion of public issues cannot be meaningful without reference to the men involved on both sides of such issues, and since such men will not necessarily be public officials, one cannot but agree that the Court was right in *Curtis* to extend the *Times*<sup>[40]</sup> rule to all public figures."<sup>[41]</sup> [Emphasis supplied.]

Furthermore, the guarantee of press freedom has also come to ensure that claims for damages arising from the

utilization of the freedom be not unreasonable or exorbitant as to practically cause a chilling effect on the exercise thereof. Damages, in our view, could not simply arise from an inaccurate or false statement without irrefutable proof of actual malice as element of the assailed publication.

WHEREFORE, the assailed Amended Decision dated May 25, 2004 of the Court of Appeals in CA-G.R. CV No. 54134 is AFFIRMED.

**SO ORDERED.**

Carpio,[\*] Corona,\*\*] Carpio Morales, and Velasco, Jr., JJ., concur.

---

[\*] Designated member per Raffle of April 23, 2008 in place of Associate Justice Arturo D. Brion who took no part for being a former member of a party's counsel firm.\*\*] Designated member per Raffle of April 27, 2009 in place of Associate Justice Dante O. Tinga who took no part due to his close relations to a party.

[1] Rollo, pp. 11-30. Penned by Associate Justice Mariano C. Del Castillo, with Associate Justices Roberto A. Barrios and Martin S. Villarama, Jr. concurring.[2] Records, pp. 263-282. Dated April 18, 1996. Penned by Judge Alvin L. Tan.

[3] Records, pp. 10-12.[4] Id. at 167.

[5] Id. at 173.[6] Id. at 1-6.

[7] Id. at 65 and 73.

[8] TSN, February 21, 1995, pp. 252-261.

[9] TSN, July 6, 1995, pp. 218-243.[10] Records, p. 282.[11] No. L-16027, May 30, 1962, 5 SCRA 148.

[12] Rollo, p. 185.

[13] ART. 100. Civil liability of a person guilty of felony. - Every person criminally liable for a felony is also civilly liable.[14] Rollo, pp. 156-159.

[15] Id. at 121-122.

[16] Id. at 137-152.[17] Sales v. Barro, G.R. No. 171678, December 10, 2008, p. 5.

[18] Philippine National Bank v. Court of Appeals, G.R. No. 116181, January 6, 1997, 266 SCRA 136, 139.

[19] Revised Penal Code, Art. 353.[20] Alonzo v. Court of Appeals, G.R. No. 110088, February 1, 1995, 241 SCRA 51, 59.

[21] Revised Penal Code, Art. 354.

[22] Borjal v. Court of Appeals, G.R. No. 126466, January 14, 1999, 301 SCRA 1, 21-22.[23] 38 Phil. 253 (1918).

[24] Id. at 265. Borjal v. Court of Appeals, supra at 22.[25] Nos. L-82380 and L-82398, April 29, 1988, 160 SCRA 861, 874-875.x x x a person who, by his accomplishments, fame, or mode of living, or by adopting a profession or calling which gives the public a legitimate interest in his doings, his affairs, and his character, has become a 'public personage.' He is, in other words, a celebrity. Obviously to be included in this category are those who have achieved some degree of reputation by appearing before the public, as in the case of an actor, a professional baseball player, a pugilist, or any other entertainer. The list is, however, broader than this. It includes

public officers, famous inventors and explorers, war heroes and even ordinary soldiers, an infant prodigy, and no less a personage than the Grand Exalted Ruler of a lodge. It includes, in short, anyone who has arrived at a position where public attention is focused upon him as a person. (Stress supplied.)[26] *Borjal v. Court of Appeals*, supra at 26-27.[27] *Lu Chu Sing and Lu Tian Chiong v. Lu Tiong Gui*, 76 Phil. 669, 676 (1946).

[28] *Borjal v. Court of Appeals*, supra note 22, at 28-29.[29] *Id.* at 30.[30] *Id.*, citing *Bulletin Publishing Corp. v. Noel*, No. 76565, November 9, 1988, 167 SCRA 255, 265.

[31] *Flor v. People*, G.R. No. 139987, March 31, 2005, 454 SCRA 440, 459.[32] *Id.*

[33] *Elizalde v. Gutierrez*, No. L-33615, April 22, 1977, 76 SCRA 448, 454.[34] 96 Phil. 510 (1955).

[35] *Id.* at 515.

[36] 385 US 374, 17 L ed 2d 456, 87 S Ct 534 (1967).[37] *Id.* at 467.

[38] *Lopez v. Court of Appeals*, No. L-26549, July 31, 1970, 34 SCRA 116, 126.[39] 388 US 130, 18 L ed 2d 1094, 87 S Ct 1975, reh den (1967).[40] *New York Times Co. v. Sullivan*, 376 U.S. 254 (1964) was a United States Supreme Court case which established the actual malice standard.[41] *Lopez v. Court of Appeals*, supra at 126-127.

**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.