

CATALINO VALDERRAMA, PLAINTIFF AND APPELLEE, VS. THE NORTH NEGROS SUGAR CO., INC., DEFENDANT AND APPELLANT.

G.R. No. 23810. December 18, 1925

Ponente: VILLAMOR, J.

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VILLAMOR, J.:

As appears from the record, on November 17, 1916, several hacienda owners of Manapla, Occidental Negros, entered into a contract with Miguel J. Osorio, known as milling contract, wherein Osorio agreed to install in Manapla a sugar central of a minimum capacity of 300 tons, for grinding and milling all the sugar cane to be grown by the hacienda owners, who in turn bound themselves to furnish the central with all the cane they might produce in their estates for thirty years from the execution of the contract, all in accordance with the conditions specified therein.

Later on, the defendant North Negros Sugar Co., Inc., acquired the rights and interest of Miguel J. Osorio in the milling contract aforesaid.

Two years thereafter, that is to say, on January 29, 1919, Catalino Valderrama (case No. 23810) and on February 1st of the same year, Emilio Rodriguez (case No. 23811) and Santos Urrea, Ignacio Benito Huarte, Adolfo Huarte and Pedro Auzmendi (case No. 23812) made with the appellant other milling contracts identical with the first one of November 17, 1916, with some new conditions which are specified in detail in the aforesaid documents Exhibits A and 1. Santos Urrea thereafter transferred to Pedro Auzmendi, and the latter to Lorenzo Echarri, their interest in the milling contract executed by them.

In view of the fact that the hacienda owners, who were up to that time customers of the central, could not furnish sufficient cane for milling, as required by the capacity of said central, the defendant made other milling contracts with various hacienda owners of Cadiz, Occidental Negros, in order to obtain sufficient cane to sustain the central; and this gave rise to the plaintiffs filing their complaint, alleging that the easement of way, which each of them has established in his respective hacienda, was only for the transportation through each hacienda of the sugar cane of the owner thereof, while the defendant maintains that it had the right to transport to its central upon the railroad passing through the haciendas of the plaintiffs, not only the sugar cane harvested in said haciendas, but also that of the hacienda owners of Cadiz, Occidental Negros.

The plaintiffs, in separate complaints, prayed the Court of First Instance of Occidental Negros to pronounce judgment, holding that the defendant had no right, under the easement or otherwise, to cause its locomotives and wagons to run across the estates of the plaintiffs for the purpose of transporting sugar cane of any agriculturist of Cadiz, Occidental Negros.

The defendant answered the amended complaints, admitting some allegations thereof and denying others. And as special defense, it alleged that the plaintiffs respectively granted the defendant, for the period of fifty years from the date of the aforesaid contracts, an easement of way 7 meters wide upon the lands of the plaintiffs for the construction and operation of a railroad for the transportation of sugar cane; that said easement of way was

established without any restriction whatsoever, as regards the ownership of the cane to be transported over the said railroad; that said contract was then in full force and effect and had never been annulled or modified.

After hearing the three cases, the trial court entered one single judgment for all of them, holding that the defendant had no right to pass through the lands of the plaintiffs described in their amended complaints for the transportation of sugar cane not grown from any of the haciendas of the plaintiffs. From this judgment, the defendant appealed.

In view of the similarity of the facts and questions raised in the three complaints, they will herein be considered jointly, as was done by the trial court.

The parties agree that the only question herein involved is as to the extent of the easement of way which the plaintiffs have established in their respective haciendas in favor of the defendant, and therefore it is important to know the terms in which such easement of way was established.

In the contract executed by the plaintiff Valderrama with the defendant on January 29, 1919, there appears: "6th. That in order to have the obligations herein entered into by Mr. Valderrama duly registered, in regard to the rural estates belonging to him and which are described hereinafter, an easement of way 7 meters wide and for the period of 50 years from the date hereof is hereby created in favor of the 'North Negros Sugar Co., Inc.,' upon his property hereinafter described, at such place as said corporation may see fit for the construction of a railroad."

And in the contract of the plaintiff Rodriguez of February 1, 1919, there also appears: "6th. That in order to have the obligations herein entered into by Mr. Emilio Rodriguez duly registered, in regard to the rural estates belonging to him which are hereinafter described, an easement of way 7 meters wide and for the period of 50 years from the date hereof is hereby established by said Mr. Emilio Rodriguez in favor of the 'North Negros Sugar Co., Inc.,' upon his estate aforementioned, at such place as said corporation may see fit for the construction of a railroad."

And lastly in the contract of Santos Urrea and others of February 1, 1919, there likewise appears: "7th. That in order to have the obligations herein entered into by Santos Urrea, Ignacio Benito Huarte, Adolfo Huarte and Pedro Auzmendi duly registered, in regard to their estate hereinafter described, an easement of way 7 meters wide and for the period Of 50 years from the date hereof is hereby established in favor of the 'North Negros Sugar Co., Inc.,' upon their estate hereinafter described, at such place as said corporation may see fit for the construction of a railroad."

As may be seen, the question raised depends upon the interpretation to be given to the clause of the contracts of the plaintiffs above quoted. The plaintiffs allege that the aforesaid clause is ambiguous, and under the first exception of section 285 of the Code of Civil Procedure, they have the right to introduce extraneous evidence to explain the true intent of the parties. And it is ambiguous, according to them, because it may be applied to the transportation of the cane of the plaintiffs or of other producers, which is contrary to the intent of the contracting parties. If the above quoted clause is ambiguous, the plaintiffs have the right to introduce circumstantial evidence to explain the true intent of the parties, but in our opinion said clause is clear enough in its terms to express what the parties have intended to agree upon. Had the clause mentioned only an "easement of way," there might be a doubt as to whether or not the easement of way is for pedestrians, horsemen or carriages. But when the clause says: "easement of way 7 meters wide for the period of 50 years for the construction of a railroad," there can be no doubt about what the contracting parties have agreed upon, to wit, that the plaintiffs have created upon their respective haciendas at a suitable place an easement of way 7 meters wide and for a period of fifty years, in order to enable the defendant to build and maintain a railroad for the transportation of sugar cane to the central. It is clear that the cane of the plaintiffs was to be transported upon the railroad to the central; but to limit the use of the

road exclusively to the cane of the plaintiffs and within their respective haciendas would make the contract in question ineffective, except as to the hacienda which is contiguous or nearest to the central.

The object of such a milling contract, from which arises the easement in question, is undoubtedly to obtain mutual benefit to the producers of sugar cane and the corporation putting up the central. It is only by taking this principal idea into account that it may be conceived why the parties had come to an agreement to assume such obligations as are set forth in the milling contract. But the contract could not produce any benefit to the parties, if the explanation given by the plaintiffs would be admitted, as to their intention in creating the aforesaid easement of way upon their respective haciendas, that it was only in favor of their respective haciendas. Such an explanation is inadmissible because it is contrary to the object of the milling contract.

It is against the nature of the easement to pretend that it was established in favor of the servient estates, because it is a well settled rule that things serve their owner by reason of ownership and not by reason of easement.

This is a case of an easement for the benefit of a corporation, voluntarily created by the plaintiffs upon their respective estates for the construction of a railroad connecting said estates with the central of the defendant. Once the road is constructed, the easement is apparent because it is continuously exposed to view by the rails which reveal the use and enjoyment of said easement. It is evident, as above stated, that the cane of the plaintiffs is to be transported to the central by means of wagons passing upon the railroad; but as the easement was created for the benefit of the corporation, owner of the central, it may cause its wagons to pass upon the road as many times as it may deem fit, according to the needs of the central. If the plaintiffs do not produce sufficient cane to cover the capacity of the central, it would be unjust to impose upon the defendant corporation the burden of maintaining a central, prohibiting it to obtain from another source sufficient cane with which to, maintain its business; this is specially true here, because in the milling contract with the plaintiffs, there is nothing to prohibit the defendant from making milling contracts with other planters, and obtain in that way all the cane necessary to cover the capacity of the central.

Another reason advanced by the appellees in support of their theory is that by transporting upon the road, through the servient estates, the cane of the planters of Cadiz, it would alter the easement, making it more burdensome. It is true that the owner of the dominant estate, in making on the servient estate the necessary works for the use and preservation of the easement, cannot alter it, nor make it more burdensome (art. 543 of the Civil Code); but this does not mean that the defendant cannot transport in the wagons passing upon the railroad other cane than that of the plaintiffs. What is prohibited by the legal provision above cited is that the defendant, in extending the road or in repairing it, should occupy a greater area of land of the servient estates, or deposit excavations or building materials outside of the area of 7 meters, because in the first case, the easement will be altered, and in the second it would become more burdensome. But nothing of the kind happens when the defendant transports on the railroad, crossing the servient estates, the cane of the planters of Cadiz; the railroad continues to occupy the same area on the servient estates, and the incumbrance resulting from the easement continues to be the same, whether the tractors traverse the line 10, 20 or 30 times a day transporting cane for the central.

Furthermore, the record shows a circumstance indicating that at the time of the execution of the milling contracts above referred to, there was no intention on the part of the contracting parties to limit the use of the railroad to the transportation of cane grown by the plaintiffs in their respective haciendas, and that is because, while the duration of the milling contracts is fixed at thirty years, that of the easement is at fifty. So that if at the end of thirty years the plaintiffs or their successors should no longer desire to furnish canes for milling in the central of the defendant, the latter shall still have the right to the easement for the remaining period, but without transporting on the railroad any cane for the central. An interpretation of the clause in question leading to such a result is untenable.

For the foregoing, we are of the opinion that the trial court erred in finding that the appellant could not transport on its railroad passing through the haciendas of the appellees, where it has an easement of way established in its favor, the cane grown in the haciendas of the producers of Cadiz, Occidental Negros, to be milled in the central of the appellant. And, therefore, the judgment appealed from must be reversed and the appellant absolved, as it is hereby absolved, from the complaint, without special pronouncement as to costs. So ordered.

Avanceña, C. J., Street, Malcolm, Ostrand, Johns, Romualdez, and Villa-Real, JJ., concur.

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