

FELIX BILANG, PLAINTIFF AND APPELLANT, VS. ERLANGER & GALINGER, INC., DEFENDANT AND APPELLEE.

G.R. No. 44931. November 29, 1938

Ponente: DIAZ, J.

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DIAZ, J.:

Plaintiff lost his case in the lower court which interpreted his contract with defendant, and which constitutes the basis of his action, contrary to his contentions. In order to determine finally the real meaning of said contract or the interpretation that should be given to its terms, he appealed to this court from the judgment against him.

The facts are as follows: Appellant entered the service of appellee as mechanic, first, to assist the mechanic of the appellee, Enrique Litonjua, in the latter's work as such; and, thereafter, to take the place to be left by Litonjua who resigned in March, 1933. Under their original verbal contract, appellee was to pay appellant a monthly salary of P118 and give him, in addition, a monthly bonus of P30 which was to be allowed to accumulate and thereafter delivered to him at the end of the months of June and December of each year in lump sums so long as he continued in the service of appellee. On March 10, 1933, appellee confirmed the contract in writing in the following terms:

"March 10, 1933

"MR. FELIX BILANG

Present

"Dear Sir:

"This confirms the conversation you had with the writer and our Mr. Salet of today whereby your remuneration will be increased to P118 a month effective March 1st with a monthly accumulated bonus of P30 per month, payable June 30th and December 31st, provided you are in the employ of the Company within that period. In addition to the above you will be known as 'Chief Service Radio Mechanic' and in charge of all other servicemen for radios, combination machines, phonographs and photophone equipment. In other words, you will hold the identical position formerly held by Mr. Enrique Litonjua who resigned this week.

"Very truly yours,

"ERLANGER & GALINGER, INC.

(Sgd.)

.....

"Treasurer"

Appellant was dismissed from the service of appellee on November 20, 1933 because it was discovered that he had been violating the regulations of the company to its prejudice. It was, therefore, clear that before December 31, 1933, he was no longer in the employ of appellee.

Appellant contends that he is entitled to the payment of the bonuses corresponding to the months of July, August, September, October, and to the first twenty days of November, 1933 under the very terms of the aforesaid contract. The pertinent portion of the contract in question is of the following tenor:

"* * * your remuneration will be increased to P118 a month effective March 1st with a monthly accumulated bonus of P30 per month, payable June 30th and December 31st, provided you are in the employ of the Company within that period."

It is a well-settled rule that when the terms of a contract are clear and do not leave room for doubt as to the intention of the contracting parties, it is not necessary to interpret the same, and the literal meaning of its clauses should be followed. The contract in question is sufficiently clear. It does not entitle appellant to the payment of any bonus inasmuch as at the time when, according to the agreement, he should be paid what would have corresponded to him had he continued to hold his position until then, December 31, 1933, he was no longer in the employ of the appellee. Appellant's contention, therefore, is devoid of merit. A bonus is a gift of the principal to his agent or employee in order that the latter may be encouraged to serve him faithfully and diligently.

Appellant not having conducted himself in this manner, it is obvious that he is not entitled to the whole or even a part of his claim.

Wherefore, the judgment appealed from is affirmed, with costs against the appellant. So ordered.

Avanceña, C. J., Villa-Real, Imperial, and Laurel, JJ., concur.

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