

FINAL BILL REPORT

SB 6286

C 235 L 96
Synopsis as Enacted

Brief Description: Conferring possessory and lien rights to entities that used dies, molds, forms, and patterns unclaimed.

Sponsors: Senators Pelz, Deccio, Heavey and Hale.

Senate Committee on Labor, Commerce & Trade
House Committee on Commerce & Labor

Background: Plastic injection molds are used to form hard plastic products such as dashboards, computers and telephones. In general, the process has two steps. First, the customer has a mold made. Next, the mold is taken to a fabricator, who injects plastic into the mold and produces the product. The mold maker and the fabricator are often two different entities.

Summary: Mold makers and fabricators are allowed recourse if a customer abandons a mold or fails to pay. If a customer leaves a mold with a mold maker and fails to claim it within three years after the mold was last used, the mold maker may seek legal title to the mold by sending notice to the customer. If the customer does not respond, the title and all rights to the mold transfer by operation of law to the mold maker, who may then destroy or otherwise dispose of the mold.

If a customer fails to pay a fabricator and the fabricator has physical possession of the mold, the fabricator may retain the mold and is granted a lien right in the amount of the materials and fabrication work. This lien does not have priority over previously filed security interests. Before the lien may be enforced, the fabricator must send notice to the customer. If the customer fails to respond to the notice and pay the amounts owing, the mold may be sold at public sale. The fabricator is entitled to the amounts owing from the customer, the costs of holding, preparing for sale and selling the mold, and reasonable attorney fees. Any excess must be paid to other lien holds, and the remainder is remitted to the customer.

Votes on Final Passage:

Senate	42	0	
House	94	0	(House amended)
Senate	46	0	(Senate concurred)

Effective: June 6, 1996