CERTIFICATION OF ENROLLMENT

SENATE BILL 6286

Chapter 235, Laws of 1996

54th Legislature 1996 Regular Session

RIGHTS TO DIES, MOLDS, FORMS, AND PATTERNS

EFFECTIVE DATE: 6/6/96

Passed by the Senate March 4, 1996 YEAS 46 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House February 28, 1996 YEAS 94 NAYS 0

CLYDE BALLARD

Speaker of the House of Representatives

Approved March 28, 1996

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6286** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 28, 1996 - 5:10 p.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington

SENATE BILL 6286

AS AMENDED BY THE HOUSE

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1996 Regular Session

By Senators Pelz, Deccio, Heavey and Hale

Read first time 01/10/96. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to rights to dies, molds, forms, and patterns; 2 adding a new chapter to Title 63 RCW; and adding a new chapter to Title 3 60 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 <u>NEW SECTION.</u> Sec. 1. Unless the context clearly requires 6 otherwise, the definitions in this section apply throughout this 7 chapter.

8 (1) "Customer" means an individual or entity that causes or did 9 cause a molder to fabricate, cast, or otherwise make a die, mold, or 10 form.

11 (2) "Molder" means an individual or entity, including but not 12 limited to a tool or die maker, that fabricates, casts, or otherwise 13 makes a die, mold, or form.

(3) "Within three years after the last use" means the three-year period after the last use of a die, mold, or form, regardless of whether or not any portion of that period predates the effective date of this act.

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<u>NEW SECTION.</u> Sec. 2. (1) In the absence of a written agreement
 otherwise, the customer has title and all rights to a die, mold, or
 form in the molder's possession.

4 (2) If a customer does not claim possession from a molder of a die, 5 mold, or form within three years after the last use of the die, mold, 6 or form, title and all rights to the die, mold, or form may be 7 transferred to the molder for the purpose of destroying or otherwise 8 disposing of the die, mold, or form.

9 (3) At least one hundred twenty days before seeking title and 10 rights to a die, mold, or form in its possession, a molder shall send notice, via registered or certified mail, to the chief executive 11 officer of the customer or, if the customer is not a business entity, 12 13 to the customer's last known address. The notice must state that the molder intends to seek title and rights to the die, mold, or form. The 14 15 notice must also include the name, address, and phone number of the molder. 16

(4) If a customer does not respond in person or by mail within one hundred twenty days after the date the notice was sent, or does not make other contractual arrangements with the molder for storage of the die, mold, or form, title and all rights of the customer transfer by operation of law to the molder. Thereafter, the molder may destroy or otherwise dispose of the die, mold, or form without any risk of liability to the customer.

24 <u>NEW SECTION.</u> Sec. 3. Unless the context clearly requires 25 otherwise, the definitions in this section apply throughout this 26 chapter.

(1) "Customer" means an individual or entity that contracts with,
causes, or caused a plastic fabricator to use a die, mold, form, or
pattern to manufacture, assemble, or otherwise make a plastic product.
(2) "Plastic fabricator," "fabricator," or "molder" means an
individual or entity, including but not limited to a tool or die maker,
that contracts to or uses a die mold, form, or pattern to manufacture,
assemble, or otherwise make a plastic product for a customer.

NEW SECTION. Sec. 4. (1) A plastic fabricator, molder, and person conducting a plastic fabricating business has a lien, dependent on possession, on a die, mold, form, or pattern belonging to the customer for the amount owing from the customer for plastic fabrication work and

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1 for the value of materials used in the work. The fabricator may retain 2 possession of the die, mold, form, or pattern until the charges are 3 paid. This lien does not have priority over any security interest in 4 the die, mold, form, or pattern that is perfected at the time the 5 fabricator acquires the lien.

6 (2) Before a lien is enforced, the fabricator must cause written 7 notice to be delivered personally or by registered or certified mail to 8 the last known address of the customer. The notice must state that the 9 fabricator will exercise its lien right because of nonpayment. The 10 notice must also state the amount of money owed and demand payment. 11 The fabricator's name, address, and phone number must be included in 12 the notice.

13 (3) If the fabricator is not paid the total due within sixty days after the notice has been received by the customer, the fabricator may 14 15 foreclose the lien by notice and sale as provided in this section, if 16 the die, mold, form, or pattern is in the fabricator's possession. The 17 fabricator must send notice of intended sale, by registered or certified mail with return receipt requested, to the last known address 18 19 of the customer. The notice must include: A description of the die, 20 mold, form, or pattern to be sold; a statement of intent to sell the die, mold, form, or pattern at public sale; the date, time, and place 21 22 of the sale; and an itemized statement of moneys owing.

23 If there is no return receipt or if the postal service returns the 24 notice as undeliverable, the fabricator shall publish notice of 25 intention to sell the die, mold, form, or pattern at public sale in a 26 newspaper of general circulation in the county where the die, mold, form, or pattern is physically located. The publication must include: 27 A description of the die, mold, form, or pattern; the name, address, 28 and phone number of the customer; the name, address, and phone number 29 30 of the fabricator; and the date, time, and place of the sale.

The fabricator is entitled to the amount owing plus the costs of holding, preparing for sale, and selling the die, mold, form, or pattern. The fabricator is also entitled to reasonable attorneys' fees incurred.

(4) If the sale proceeds exceed the amount owing, the excess must
 be paid to subsequent lien holders. Any remainder must be remitted to
 the customer.

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1 (5) A public sale may not be held under this section if it is in 2 violation of a right of a customer under federal patent or copyright 3 law.

4 <u>NEW SECTION.</u> Sec. 5. (1) Sections 1 and 2 of this act shall 5 constitute a new chapter in Title 63 RCW.

6 (2) Sections 3 and 4 of this act shall constitute a new chapter in 7 Title 60 RCW.

Passed the Senate March 4, 1996. Passed the House February 28, 1996. Approved by the Governor March 28, 1996. Filed in Office of Secretary of State March 28, 1996.