

1                                   **MOLD RETENTION LAW, MOLD LIEN LAW,**  
2   **AND CREDITOR'S RIGHTS**

3   1998 GENERAL SESSION

4   STATE OF UTAH

5   **Sponsor: Mike Dmitrich**

6 AN ACT RELATING TO COMMERCE AND TRADE; ENACTING THE MOLD RETENTION  
7 AND LIEN ACT; DEFINING TERMS; PROVIDING FOR OWNERSHIP RIGHTS IN  
8 MOLDS; AND PROVIDING FOR LIENS AGAINST MOLDS.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 ENACTS:

11           **13-30-101**, Utah Code Annotated 1953

12           **13-30-102**, Utah Code Annotated 1953

13           **13-30-103**, Utah Code Annotated 1953

14           **13-30-201**, Utah Code Annotated 1953

15           **13-30-202**, Utah Code Annotated 1953

16           **13-30-203**, Utah Code Annotated 1953

17           **13-30-301**, Utah Code Annotated 1953

18           **13-30-302**, Utah Code Annotated 1953

19           **38-2-6**, Utah Code Annotated 1953

20 *Be it enacted by the Legislature of the state of Utah:*

21           Section 1. Section **13-30-101** is enacted to read:

22   **CHAPTER 30. MOLD RETENTION AND LIEN ACT**

23   **Part 1. General Provisions**

24           **13-30-101. Title.**

25           This chapter shall be known as the "Mold Retention and Lien Act."

26           Section 2. Section **13-30-102** is enacted to read:

27           **13-30-102. Definitions.**

1 As used in this chapter:

2 (1) "All rights and title" does not include rights or title in patents or copyrights.

3 (2) "Customer" means a person that:

4 (a) causes a molder to fabricate, cast, or otherwise make a mold; or

5 (b) provides a molder with a mold to make a product for the customer.

6 (3) "Make" includes to manufacture, assemble, cast, or fabricate.

7 (4) "Mold" includes a die, form, or pattern.

8 (5) (a) "Molder" means a person that makes or uses a mold for the purpose of making a  
9 product for a customer.

10 (b) "Molder" includes a tool or die maker.

11 Section 3. Section **13-30-103** is enacted to read:

12 **13-30-103. Relationship to federal law.**

13 This chapter does not affect any right of a customer under federal law related to patent,  
14 copyright, or unfair competition.

15 Section 4. Section **13-30-201** is enacted to read:

16 **Part 2. Retention of Molds**

17 **13-30-201. Ownership rights to molds.**

18 (1) Unless otherwise agreed to by the molder and the customer, the customer has all rights  
19 and title to a mold in the possession of the molder.

20 (2) If a customer does not claim possession from a molder of a mold within three years  
21 following the last prior use of the mold, all rights and title to the mold may be transferred to the  
22 molder in accordance with Section 13-30-202 for the purpose of destroying or otherwise disposing  
23 of the mold.

24 Section 5. Section **13-30-202** is enacted to read:

25 **13-30-202. Transfer of ownership to molder.**

26 (1) If a customer does not claim possession from a molder of a mold within three years  
27 following the last prior use of the mold, the molder may transfer all rights and title to the mold in  
28 accordance with this section.

29 (2) (a) Prior to obtaining all rights and title to the mold, the molder shall send written  
30 notice by registered mail to the last-known address of the customer notifying the customer that the  
31 molder is terminating the customer's rights and title to the mold.



1 required by Subsection (2) is received by the customer, the molder may sell the mold at a public  
 2 auction in accordance with Section 13-30-302.

3 Section 8. Section **13-30-302** is enacted to read:

4 **13-30-302. Sale of molds for payment of lien.**

5 (1) (a) Prior to selling a mold, the molder shall send written notice by registered mail to  
 6 the last-known address of the customer.

7 (b) The notice required by Subsection (1)(a) shall include:

8 (i) the molder's intention to sell the mold 30 days from the day the customer received the  
 9 notice;

10 (ii) the description of the mold to be sold;

11 (iii) the time and place of the sale; and

12 (iv) an itemized statement for the amount due the molder from the customer.

13 (c) A molder shall publish notice of the molder's intention to sell a mold in a newspaper  
 14 of general circulation covering the customer's last-known address, if:

15 (i) the receipt of the mailing of the notice described in Subsection (1)(a) is not returned;

16 or

17 (ii) the postal service returns the notice described in Subsection (1)(a) as being  
 18 nondeliverable.

19 (d) The notice provided for in Subsection (1)(c) shall include a description of the mold.

20 (2) A molder may sell a mold 30 days from the later of the day:

21 (a) the customer received the notice in accordance with Subsection (1)(a); or

22 (b) the date the molder published the notice under Subsection (1)(d).

23 (3) If from the  $\hat{h}$  [sell] SALE  $\hat{h}$  of a mold under this section the molder receives an amount in  
 23a excess

24 of the amount of the lien, the excess shall be paid as follows:

25 (a) to any prior lienholder known to the molder at the time of the sale; and

26 (b) after paying any lienholder under Subsection (3)(a), the remainder:

27 (i) if the customer's address is known at the time of sale, to the customer; or

28 (ii) if the customer's address is not known at the time of sale, to the state in accordance  
 29 with Title 67, Chapter 4a, Unclaimed Property Act.

30 Section 9. Section **38-2-6** is enacted to read:

31 **38-2-6. Mold liens.**

- 1 Title 13, Chapter 30, Mold Retention and Lien Act, governs
- 2 liens on molds in the possession of a molder as those terms are defined in Section 13-30-102.

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**Legislative Review Note**  
**as of 2-2-98 10:38 AM**

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**