

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 647
Second Edition Engrossed 5/17/93

Short Title: Mold Retention Act.

(Public)

Sponsors: Representatives Brawley; and Lemmond.

Referred to: Judiciary II.

March 29, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT MOLDERS' OBLIGATIONS TO RETAIN DIES, MOLDS,
3 FORMS, OR PATTERNS.

4 The General Assembly of North Carolina enacts:

5 Section 1. Article 13 of Chapter 66 of the General Statutes is amended by
6 adding a new section to read:

7 "**§ 66-67.3. Disposal of dies, molds, forms, and patterns.**

8 (a) For purposes of this section:

9 (1) 'Customer' means any person:

10 a. Who causes or caused a molder to fabricate, cast, or otherwise
11 make a die, mold, form, or pattern; or

12 b. Who causes or caused a molder to use a die, mold, form, or
13 pattern to manufacture, assemble, or otherwise make a product;

14 (2) 'Molder' means any person, including, but not limited to, a tool or die
15 maker:

16 a. Who fabricates, casts, or otherwise makes a die, mold, form, or
17 pattern; or

18 b. Who uses a die, mold, form, or pattern to manufacture,
19 assemble, or otherwise make a product;

20 (3) 'Within three years following the last prior use' includes any period
21 following the last prior use of any die, mold, form, or pattern
22 regardless of whether or not that period precedes the effective date of
23 this section.

1 (b) In the absence of any agreement to the contrary, the customer shall have all
2 rights, title, and interest to any die, mold, form, or pattern in the possession of the
3 molder.

4 (c) Unless otherwise agreed in writing, if a customer does not claim possession
5 from a molder of a die, mold, form, or pattern within three years following the last prior
6 use thereof, all rights, title, and interest to any die, mold, form, or pattern may be
7 transferred by operation of law to the molder for the purpose of destroying or otherwise
8 disposing of such die, mold, form, or pattern, consistent with this section.

9 (d) If a molder chooses to have all rights, title, and interest to any die, mold,
10 form, or pattern transferred to the molder by operation of law, the molder shall send
11 written notice by registered mail, return receipt requested, to its customer at the
12 customer's last known address, and to any known secured creditor, indicating that the
13 molder intends to terminate the customer's rights, title, and interest by having all such
14 rights, title, and interest transferred to the molder by operation of law pursuant to this
15 section; provided, however, that if the customer designates in writing an address to
16 which the written notice must be sent, the molder must send the notice to such address.
17 If notice on the customer cannot be obtained by mail, the molder may give notice by
18 publication in accordance with the Rules of Civil Procedure as set forth in Chapter 1A
19 of the General Statutes.

20 (e) Unless within 30 days following the date the molder receives
21 acknowledgement of the return receipt of such notice, or 45 days after the date of first
22 publication, a customer takes possession of the particular die, mold, form, or pattern, or
23 makes other contractual arrangements with the molder for taking possession or for the
24 storage thereof, all rights, title, and interest of the customer shall transfer by law to the
25 molder. Thereafter, the molder may destroy or otherwise dispose of the particular die,
26 mold, form, or pattern as the molder's own property without any risk of liability to the
27 customer, except that this section shall not be construed in any manner to affect any
28 right of the customer, under federal patent or copyright law or any state or federal law
29 pertaining to unfair competition."

30 Sec. 2. This act is effective upon ratification.