

56:4A-1 to 56:4A-5

LEGISLATIVE HISTORY CHECKLIST

NJSA: 56:4A-1 to 56:4A-5 (Plastic molds, dies and forms — provides for transfer of)

LAWS OF: 1983

CHAPTER: 217

Bill No: S1444

Sponsor(s): Gagliano and O'Connor

Date Introduced: June 3, 1982

Committee: Assembly: Commerce and Industry

Senate: Labor, Industry and Professions

Amended during passage: Yes // Amendments during passage denoted by asterisks

Date of Passage: Assembly: May 26, 1983

Senate: Sept. 23, 1982

Date of Approval: June 20, 1983

Following statements are attached if available:

Sponsor statement: Yes // Also attached: Senate Amendments, adopted 9-16-82 (with statement)

Committee statement: Assembly Yes //

Senate Yes //

Fiscal Note: /// No

Veto Message: /// No

Message on Signing: *YES* ~~NO~~

Following were printed:

Reports: /// No

Hearings: /// No

Similar laws in other states:

Massachusetts Mass. Gen. Laws Ann. ch.94, §320 (West, 1972)

Michigan Mich. Stat Ann. §19.838 (West, 1981)

(over)

N.Y.

N.Y. Gen. Bus Law §398d (McKinney, 1980)

R.I.

R.I. Gen. Laws §6.39 (1970)

Vermont

Vt. Stat Ann. Tit. 9, §4151 et seq. (1971)

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 1444

STATE OF NEW JERSEY

INTRODUCED JUNE 3, 1982

By Senators GAGLIANO and O'CONNOR

Referred to Committee on Labor, Industry and Professions

AN ACT to transfer the rights, title and interest to certain unclaimed molds, dies and forms.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. As used in this act:

2 a. "Customer" means any person who causes or caused a molder  
3 to fabricate, cast or otherwise make a mold, die or form, or who  
4 causes or caused a molder to use a mold, die or form in the manu-  
5 facture or assembly of products.

6 b. "Molder" means any person who fabricates, casts or otherwise  
7 makes a mold, die or form *\*\*to produce plastic products\*\**, or who  
8 uses a mold, die or form in the manufacture or assembly of  
9 *\*\*plastic\*\** products.

1 2. Unless otherwise agreed to in writing, if a customer does not  
2 take possession from a molder of a mold, die or form situated in  
3 this State within 3 years following its last prior use, the customer's  
4 rights, title and interest to the mold, die or form may be transferred  
5 by operation of law to the molder for the purpose of destroying  
6 the mold, die or form consistent with this act. To transfer title,  
7 the molder shall send written notice by registered mail, return  
8 receipt requested, to the customer's *\*designated address or, if there*  
9 *is none, to the customer's\** last known address, indicating that the  
10 molder intends to have the customer's rights, title and interest  
11 to the mold, die or form transferred pursuant to this act *\*[on the*  
12 *one-hundred and twentieth day following the date postmarked on*  
13 *the registered letter]\**.

**EXPLANATION**—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Senate committee amendments adopted June 28, 1982.

\*\*—Senate amendments adopted September 16, 1982.

1 3. If a customer does not take possession of the particular die,  
2 mold, or form within 120 days following the date the molder  
3 receives acknowledgement or nonacknowledgement of the return  
4 receipt of the notice or does not make other contractual arrange-  
5 ments with the molder for taking possession or for the storage  
6 thereof, all rights, title, and interest of the customer shall transfer  
7 by law to the molder. Thereafter, the molder **\*[may]\*** *\*shall be*  
8 *entitled to\** destroy the particular die, mold, or form as the  
9 molder's own property without any risk of liability to the customer.

1 4. This act shall not be construed to affect the rights of customers  
2 under federal patent or copyright law, or any State or federal  
3 law pertaining to unfair competition\*. *This act shall not apply if*  
4 *a molder retains title to and possession of a mold, die or form\**,  
5 nor shall this act be construed to grant a customer any rights, title  
6 or interest in a mold, die or form.

1 5. For purposes of this act, the term "within 3 years following  
2 its last use" shall be construed to include any period following the  
3 last prior use of any die, mold, or form regardless of whether or  
4 not the period precedes the effective date **\*[thereof]\*** *\*of this act\**.

1 6. This act shall take effect 180 days after enactment.

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#### STATEMENT

This amendment provides that the provisions of this bill will  
only apply to molders of plastic products.

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11 on the one-hundred and twentieth day following the date post-  
12 marked on the registered letter.

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#### STATEMENT

Manufacturers who mold certain products many times have in their possession the molds, dies and forms used in the manufacturing process. A mold, die or form is ordered by a customer who has title but not possession, as the molder awaits further orders for products that would involve the use of the given mold, die or form.

Small businesses in particular are hurt by the costs connected with the storage and care of old and often bulky molds that are not the subject of further product orders.

This bill provides a procedure for molders to obtain title to unclaimed molds, dies and forms for the purpose of destroying them consistent with the provisions of this bill. Notice of the molder's intent to obtain title shall first be given by registered mail sent to the customer's last known address. The customer then has 120 days to claim title and take possession of the mold, die or form.

This bill would not affect the written agreements of molders and customers for the storage and care of molds, dies or forms, nor would this bill affect the rights of any customer under federal or State laws governing patents, copyrights or unfair competition.

Similar bills have recently been enacted in the states of New York, Massachusetts, Rhode Island, Vermont and Michigan.

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[OFFICIAL COPY REPRINT]  
SENATE, No. 1444

STATE OF NEW JERSEY

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1 6. This act shall take effect 180 days after enactment.

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ASSEMBLY COMMERCE AND INDUSTRY COMMITTEE

STATEMENT TO

SENATE, No. 1444

**STATE OF NEW JERSEY**

DATED: MARCH 3, 1983

The Assembly Commerce and Industry Committee favorably reports this bill designed to permit plastic product molders to take possession of unclaimed molds under certain circumstances.

This legislation would permit molders who produce plastic products to take possession of a mold, die or form for the purpose of destroying it if (1) three years have passed since its last use; (2) the molder has notified the customer by registered mail of his intentions; and (3) the customer fails to claim it within 120 days following the date the molder receives acknowledgment or nonacknowledgment of the return receipt of the notice. Meeting these conditions would entitle the molder to destroy the mold, die or form without risk of liability to the customer. This bill would not affect the copyright or patent rights of the customer, nor would it grant any customer any rights, title or interest in a mold, die or form which he does not otherwise have.

When a mold, die or form is ordered by a customer for use in production, the customer may, after production ceases, retain title to the mold but the mold itself often remains in the possession of the molder, who thus has the expense of storing it. This bill would permit these molds to be destroyed if they are not claimed.

New York, Massachusetts, Rhode Island, Vermont and Michigan have similar laws.

SENATE LABOR, INDUSTRY AND  
PROFESSIONS COMMITTEE

STATEMENT TO

**SENATE, No. 1444**

with Senate committee amendment

**STATE OF NEW JERSEY**

DATED: JUNE 28, 1982

This bill provides that molders may take possession of a mold, die or form for the purpose of destroying it if:

- a. Three years have passed following its last prior use;
- b. The molder has notified the customer by registered mail, return receipt requested, of his intentions; and
- c. The customer does not claim it within 120 days following the date the molder receives acknowledgment or nonacknowledgment of the return receipt of the notice.

Thereafter, the molder may destroy the mold, die or form without any risk of liability to the customer.

This bill does not affect any written agreements of molders and customers for the storage and care of molds, dies or forms, nor does it affect the rights of any customer under federal patent or copyright laws or federal or state laws pertaining to unfair competition.

A mold, die or form is ordered by a customer who has title but not possession and is used in production by a molder of some product for the customer. After a mold, die or form is no longer needed for further production, customers often fail to claim them and the mold is left with their storage and care even though he does not own them. This storage can often be expensive because of the bulky nature of many forms.

New York, Massachusetts, Rhode Island, Vermont and Michigan have a similar law.

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE

CONTACT: CARL GOLDEN

TUESDAY, JUNE 21, 1983

Governor Thomas H. Kean yesterday signed legislation to permit the producers of plastic products to destroy a mold, die or form under certain circumstances.

The legislation, S-1444, was sponsored by Senator Thomas Gagliano, R-Monmouth.

It permits the producer of the product to take possession of the mold and destroy it if three years have elapsed since its last use; if the molder has notified the customer of the intention to destroy it, and if the customer fails to claim it within 120 days of notification.

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