# WISCONSIN LEGISLATIVE COUNCIL
## ACT MEMO

| **2005 Wisconsin Act 336**<br>**[2005 Senate Bill 375]** | **Liens on, and Destruction of, Special Tools** |
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2005 Wisconsin Act 336 creates a process for establishing and enforcing a lien on a special tool and for the destruction of a special tool. A "special tool" is defined to mean a tool, die, jig, gauge, gauging fixture, metal casting, pattern, forging, machinery, ferrous or nonferrous machined part, or intellectual property used for the purpose of designing, developing, manufacturing, assembling, or fabricating a metal part.

Act 336 provides that a special tool builder who follows the stated process will have a lien on a special tool in the amount that a customer or manufacturer owes the special tool builder for designing, developing, manufacturing, fabricating, assembling, repairing, or modifying the special tool. The lien will have priority over any other lien that subsequently attaches to the special tool.

Also, Act 336 provides that, unless otherwise agreed by a customer and a manufacturer in writing, all rights, title, and interest of a customer in a special tool that a manufacturer has used to produce parts ordered by the customer or that the customer has caused a manufacturer to use will be transferred to the manufacturer for the purpose of destroying the special tool if stated procedures are followed. A manufacturer will have a lien on a special tool in the manufacturer's possession belonging to a customer for the amount due to the manufacturer from the customer for work performed with the special tool or for making or improving the special tool. The manufacturer may retain possession of the special tool until the amount is paid.

*Effective Date:* Act 336 takes effect on April 29, 2006.

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