

TOP 5 TIPS FOR CHOOSING A COMPANY NAME

A lot of research and thought goes into the name of a business and choosing the right one can be vital for the success of that business.

If you are thinking of naming or rebranding your company, you should consider these five top tips for choosing a company name:

1. BE AWARE

The name you want might not be freely available. Other businesses may already have the name that you have chosen, or something very similar. This may cause problems, particularly when you both operate in the same area of business.

Commonly encountered problems include:

- Another company already using the same name (or one that is so similar that the UK company registry would regard it as being the same) – the end result is that you can't incorporate a company with the name you wanted
- Other businesses having prior rights to prevent you using the name e.g. they have a registered trade mark or have established goodwill in the name
- You want a domain that includes your proposed company's name but the domain in question has already been registered to someone else.

2. BE DILIGENT

You can save a lot of heartache if you do a bit of DIY. Much will depend on the nature of the proposed name and the company's activities but here are some advance searches you could do:

- Search Companies House (the UK company registry) online for existing registered names of companies. There's a name availability checker that allows you to key in your proposed company name and find out whether it would be rejected as being the same as an existing registered name.
- Even if your proposed company name is 'free' at Companies House, it could infringe a registered trade mark. You can carry out limited trade mark searches of the UK's Trade Marks Register online. However, it is prudent to get help from a trade mark attorney who can also check any overseas countries in which your business will operate.
- If you want to use your company's name as a domain (e.g. www.brodies.com), check that the domain is free. However, remember that having a domain name doesn't stop someone from challenging your right to use it.
- More generally, do an online search using your proposed company name, look up local phone books, business directories, etc. to see if the name (or something similar) is already being used.

3. BE CREATIVE

Distinctive names work best. Names that are purely descriptive of what the company does (e.g. Edinburgh Sandwich Company Limited for a sandwich business in Edinburgh) are very difficult to protect as a trade name or mark. This is because the law will not allow you to monopolise a name that merely describes the particular activity/business your company will carry on.

It is easier to protect names that are distinctive and in many cases the best ones are those that have been made up e.g. Microsoft, Coca-Cola.

4. BE CAREFUL

- Certain words and expressions are considered by Companies House to be 'sensitive' and there are more hurdles to go through if you want to include them in your company name. These are words and expressions which may imply business pre-eminence, a particular status, or a specific function e.g. 'Scottish', 'council', 'royal', 'society', 'trust' to name but a few. Use of such word in a company name will require certain approvals, either from Companies House or a third party. Further details are available in Companies House guidance "Incorporation and Names".
- Names should not be offensive, nor should use of the name constitute a criminal offence. This can be less obvious in an international context as a name that works fine overseas may have a completely different meaning in the UK.

5. BE PREPARED

You can't reserve a company name in advance. So plan ahead and allow time to carry out the necessary checks. Delays can be minimised by having several alternative names up your sleeve in case you find that your preferred choice isn't available.