

How to Choose the Best Name For Your Business

Entrepreneurs often angst over the perfect name for their business. This guide will help you choose a defensible trademark and a search-friendly, recognizable name.

By Josh Spiro | Jun 23, 2010

Naming your business can be a stressful process. You want to choose a name that will last and, if possible, will embody both your values and your company's distinguishing characteristics. But screening long lists of names with a focus group composed of friends and family can return mixed results.

Alternatively, a naming firm will ask questions to learn more about your culture and what's unique about you--things you'll want to communicate to consumers. One thing that Phillip Davis, the founder of Tungsten Branding, a Brevard, North Carolina-based naming firm, asks entrepreneurs is "do you want to fit in or stand out?"

It seems straightforward. Who wouldn't want to stand out? But Davis explains that some businesses are so concerned about gaining credibility in their field, often those in financial services or consulting, that they will sacrifice an edgy or attention-getting name.

"However, in the majority of cases, clients want to stand out and that's a better approach when looking at your long-term goals. Even the companies that say 'I just want to get my foot in the door' will usually begin wishing that they stood out more once they pass that first hurdle."

Larger businesses can also end up with weak names but for a different reason. They "put a lot of money and time into testing a name to make sure that it doesn't offend anyone and that everyone understands it," says Alexandra Watkins, the chief innovation officer of Eat My Words, a San Francisco-based naming company. "That's why larger companies end up having tame, descriptive, and flat names."

The following guide will help you choose a defensible trademark and a search-friendly, recognizable name.

How-to Name Your Business: Utilizing Linguistic Tricks

As a small business, you're likely willing to be a little bolder in your choice of names. Here are some ways to turn that instinct into a handle worthy of your brand:

- *Pick a name that lends itself to wordplay* – Eat My Words, the naming firm, decided to toy with the food theme in its name. For example, its blog is called The Kitchen Sink. This theme can carry over into its other marketing and verbal branding collateral.
- *A strong name should be simple* – Make it easy to spell and pronounce for starters, and meaningful to your audience, not just to you. Watkins says, "Any time you have to explain your name or apologize for it, you're just devaluing your brand."
- *Avoid using puns* – A pun in your company name is risky. If you land a good one it can make your name super sticky, but you don't want one that's over used or too cutesy.
- *Don't be a copycat* – Pinkberry, a popular frozen yogurt chain, has spurred countless imitators with "berry"-studded names, so when a yogurt chain approached Watkins she wanted to help them find a really distinctive name. They ended up calling the company Spoon Me, and the name was such a hit that t-shirts and bumper stickers bearing the brand were flying out the door. "They're making more money selling t-shirts and buttons and bumper stickers than they are selling frozen yogurt," Watkins exclaims. When "people are paying you to advertise your brand that's the ultimate in a good name."

[Dig Deeper: What's in a Name?](#)

How-to Name Your Business: Consider Your Domain Name

It's indisputable that simple domains, particularly single words in the English language, are growing trickier to find, but experts don't all see eye to eye on how to transform your company's name into a search-friendly and memorable domain.

For example, Watkins believes that "in the Internet age you don't want a name that's spelled differently than it sounds. People won't be able to find you online and you're also always going to have to spell your name for people. "Christopher Johnson, author of the blog The Name Inspector, by contrast, points to Digg and Flickr as examples of Web companies that have created memorable misspellings. He also suggests that, "you have to decide whether you want your domain to capture generic search traffic, or whether you want it to be the basis for a [unique] brand." It all depends on your marketing strategy and how you expect your customers to try and find you.

Here are some strategies for creating a strong, memorable domain name:

- *Short won't work*—If you're expecting to find a domain with fewer than six letters, you've got another think coming. Sadly, the majority of them are already taken either by legitimate companies or by squatters.
- *Play around with phrases*—Watkins gives the example of a company called Fireworks that makes candles. A phrase such as lightmyfire.com can capture the essence of the brand without sacrificing its mnemonic power.

- *Use a foreign word*—Examples include Acer, a PC vendor, the name means 'acute' or 'sharp' Latin; Mahalo, a Q&A platform whose name means thank you in Hawaiian; and Ubuntu an operating system that takes its name from an African philosophy of interpersonal allegiances and relations.
- *Don't cater to trends*—"Way too much emphasis is being placed on putting keywords in your domain name," says Davis. "That's a short-term strategy based on current Google algorithms, and Google has changed its algorithms numerous times already." Another way of approaching SEO, Davis suggests, is to buy keyword landing pages and direct them back to your brand's main page.
- *The dot com question*—It's commonly believed that if your domain doesn't end in dot com it's in some way subpar. "I don't know how they got this impression," says Watkins. "An analogy that I like to give is the 800 number. We ran out of 800 numbers, then we went to 866, 877, 888. Nobody cared and nobody even really noticed. If somebody really wants to find you, they'll find you."

According to Johnson, many companies will start off with another extension and spring for the dot com once they're bigger. Unlike Watkins, he believes that a dot com domain "gives a company more credibility and has more 'Google juice' than other types of domain."

[Dig Deeper: Is Your Domain Name Killing Your Business?](#)

How-to Name Your Business: The Need to Rebrand

Sometimes companies rename themselves as part of a rebranding effort, which is often a consequence of a major business screw-up or scandal. Other times, it's simply because the company's initial name didn't have sufficient oomph. But chief executives who find themselves with a feckless name for their business needn't wring their hands.

"People think that their names have a lot more equity in them than they do, so don't be afraid to rebrand yourself," says Watkins.

One common mistake that small business owners in particular are likely to make is naming their business after themselves. There are many upshots to not having an eponymous company name.

"It will be easier to sell your company in the future if your name isn't tied to it," says Watkins, who also points out that an eponymous company name gives the perception that the business is a one-person show. A name other than your own also does a better job of telling your company's story. "Alexandra Watkins means nothing to anyone other than my mother and my friends," she adds.

You also need to be careful not to pigeonhole yourself with your name, which means exercising some foresight about how your business might expand. As an example, Watkins says, "if today you're making belts, but your company might go into making saddles and other things with leather, don't limit yourself to a name that only speaks to belts."

Davis adds, "When people are starting off at first, they're so eager to get to market, to get traction, that they tend to go towards very literal, descriptive, functional names and those names end up pigeonholing them." He even goes so far as to say that pigeonholing names are the reason why companies like Best Buy have outstripped competitors such as RadioShack and CompUSA.

Since companies tend to rebrand later in their life cycles, they often have more money than when they were first starting out. As a result, they can solicit more outside opinion in the process of choosing their names. But this isn't always a good thing, says Davis.

"I see a lot of names get shot down that are good brand names because [companies] don't provide context when they're floating the name out to people," says Davis. If you don't tell people what your company does or what you want the name to evoke, all you can collect are random personal associations.

[Dig Deeper: The Rebranding Game](#)

How-to Name Your Business: Should You File For a Trademark?

If you're operating a business in the United States, Canada, or England, it's not necessary to file. "You don't need to do anything to acquire trademark rights other than use your trademark in connection with your goods or services. You automatically get those rights," says Michael Atkins, a Seattle-based trademark lawyer.

So what's the point of federal and state trademark registrations? Again, it comes down to looking into your business' future. Without filing with your state or the federal government, your rights only extend as far as the geographic scope of your business' operations at any given time. If you're a local business with plans to go national, investing a few thousand dollars in a federal trademark can save you a lot of trouble down the line.

[Dig Deeper: How to File a Trademark](#)

How-to Name Your Business: Picking a Defensible Trademark

Not all trademarks are created equal. There are five categories of trademark strength, and the category that your company's name fits into impacts how well you can protect your trademark against infringers.

If you do end up going to court, all jurisdictions apply a multi-part test to assess the likelihood of a consumer confusing two companies' trademarks. The first test gauges the similarity in sight, sound and meaning, between the two marks, while the second one considers the similarity of the goods or services being sold.

Surprisingly, many small businesses simply choose a name without doing substantial research to see if someone else already holds a trademark for it. If you do properly secure the trademark you then hold it for between five and 10 years, depending on your location, before you have to renew

it.

Here are the five categories of trademark strength:

Fanciful or arbitrary marks – Fanciful marks are completely made up, which means they had no meaning before they were used as trademarks. "This is considered to be the strongest type of trademark because it only refers to the source of goods and services bearing the mark," says Atkins. Examples include Exxon, Xerox, and Kodak.

Arbitrary marks – These consist of common English words used in contexts where their normal meaning has no relationship to the goods and services they're being applied to. One example is Apple, which would be "unprotectable as a trademark for fruit but Apple in association with computers is a very strong trademark because apples have nothing to do with computers," Atkins explains.

Suggestive marks – These indirectly refer to the goods and services that they are associated with and require some imagination on the part of the consumer. This reference or secondary meaning strengthens the mark. Examples include Greyhound, meant to suggest speed, and Chicken of the Sea, which makes a comparison in consumers minds between tuna fish and chicken.

Descriptive marks – These marks describe the goods and services they are being used to market. Though they are initially weak, these marks can be registered if you can show that consumers associate them with only one company. This typically occurs after widespread advertising for a period of at least five years. Examples include National Grid and National Wholesale Liquidators.

Generic marks – These marks are not protectable at all because they describe a whole group of goods or services, which makes it impossible to distinguish one product within the group from another. For example, if you tried to sell televisions under a brand called TV, or chairs under a Chair brand, a the judge would kick your case to the curb pretty quickly.

[Dig Deeper: Are You Legally Permitted to Use Your Chosen Business Name](#)

How-to Name Your Business: Taking Legal Action

It's like a punch in the gut for a business owner when you come across another business that's been using a trademark similar to your own and potentially trading on your good name. But there are a few simple steps you can take to get the situation sorted out.

You should "start by contacting a lawyer and having that lawyer consider writing a cease and desist letter to the infringing company," suggests Atkins. However, before you do that you'll want to double and triple check your research to make sure you're the first user of the mark. If it turns out that you started using the mark second, you're laying out the red carpet for the company you contacted to turn around and force you to change your name.

Even if you do get entangled, the good news is that about two thirds of the time, these disputes can be settled out of court, says Atkins.

[Dig Deeper: David Versus Goliath: A Trademark War](#)

How-to Name Your Business: Resources

[Tungsten Branding](#) is a Brevard, North Carolina-based naming firm.

[Michael Atkins](#) is a Seattle-based trademark lawyer.

[Eat My Words](#) is San Francisco-based naming company that offers businesses a simple [quiz to see whether or not their name sucks](#).

[The Name Inspector](#) is a blog about company and product names authored by Christopher Johnson, a Seattle-based linguist and verbal branding consultant.

Copyright © 2010 Mansueto Ventures LLC. All rights reserved.
Inc.com, 7 World Trade Center, New York, NY 10007-2195.