

The YEBDC Small Business Information Column

by Sue Gingerich, Business Advisor

"Choosing a Business Name"

What's in a name? Choosing a name for a new business can be fun for some and torture for others. Some delight in cute names concocted from various family members initials. All too often businesses pick a name for their new business with little thought about what it will mean to the customer. Although a business owner should like the name of his own business, it is more important that it says something to his customers. Choosing a name for your business is often as important as the products or services you sell.

So how does one go about choosing an appropriate name for a new business? The type of name you choose depends a lot on the type of business. A business selling services like a garage or a laundromat might consider a name that customers could easily recognize, such as Barrhead Laundromat.

Below is a list of things to consider before finalizing your business's name.

- What will the name imply? Survey potential customers to find out what they think of it. Maybe it has a double meaning that you are not aware of.
- The name should be short, (two or three words) easy to read and pronounce, and easy to spell. If they can't spell it, they may not be able to find it in the phone book. If they can't pronounce, it how can they tell others about you?
- The business name should clearly identify who you are and what you do. A tag line that accompanies a name is a good way to keep the name short, but explain more fully what you do. Example, Metro Cabs "Gets You Where You Want to Be".
- Is the name similar to other businesses in your area selling the same thing? This can be a good or a bad thing. Customers might go to your competition thinking it is you, or you might actually be able to get your competitors customers without advertising, simply because they think you are them. Regardless, there is bound to be confusion.
- Avoid using names similar to large, well established businesses, even if they are in a different field. For example, Microsoft Mattresses.
- Consider what you might do in the future.
 - What if you expand into other product lines or services? Will the name still be appropriate?
 - What if you want to sell the business later on? If you named the business after yourself or your kids, would someone else want to use that business name?
 - What if you expand into other communities?
- Don't use any of the following in your name as they are likely to be rejected when you try to register them:
 - Imperial or Royal, as it implies a connection to the Royal Family
 - Parliamentary, Premier's or Legislative, as it implies a connection to some unit of the government.

Once you have made a choice, do a name search. If it comes back with names that are close to yours, you may need to do a bit more research; Where are they, What do they sell, Could they object to your using the name?

So, don't torture yourself, have fun naming your business. Just take your time, don't use the first thing that comes to your mind. Think it over carefully. Most importantly, what does the name say, to you, and to your customers?

If you have a small business and have a question or problem that you think The YEBDC could help you with please call or write to: The Yellowhead East Business Development Corporation, Box 249, Sangudo, Alberta, T0E 2A0
Phone: 1-800-556-0328 or 1-780-785-2900 / Fax: 780 785-3337 / E-mail: yebdc@yebdc.ab.ca or access our Website at: www.yebdc.ab.ca

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