

Naming Your New Business

by Mike Pendrith

One of the first things that has to be done when starting any business is to pick a name.

Selecting a name for your business is a very important decision.

You plan to have your business for a long time. Therefore you want to select a name that you will be happy with for a many years to come.

Often the name of your business broadcasts the type of business that you are. In some cases it presents a clear understanding of what you do and what your company represents.

A good name can elevate your business above the competition. A mediocre name will merely group you in with the competition.

How to Pick a Name

There is an old saying “You only get one chance to make a first impression”. In most cases the first thing that people will know about your business is the name.

So choose a name that is both meaningful and memorable.

Analyze your industry. Make certain that you fully understand the target customers in the market that you plan to serve (demographics, psychographics, buyer behaviour, etc.).

Create a list of all of those words that best describes what you want your business to convey. Think of descriptive adjectives, feelings and images.

How do you want to position your business in the market place? Do you want to be perceived as a leader or a follower?

Find out the names of your competitors. What kind of name would differentiate your business in the marketplace?

Your name should be appropriate for the type of customers that you are serving. If you are in a business-to-business industry with industrial or commercial clients, your name will be much different from a business that serves retail customers.

Finally, pick a name that you are enthusiastic about.

Try not to be too cute with your name. You want to project a professional image.

The Criteria for a Good Name

First of all, a good name should be easy to remember. You want your satisfied customers to give your business referrals.

Your name should be easy to pronounce and easy to spell.

Second, the name of your business can assist in the marketing of your business by presenting a clear understanding of what your company does.

Your name should stimulate customer interest. It should attract the type of customers that you want.

The name should sell your business with no further explanation.

In some cases, you may want your name to promote the type of products or services that your company provides.

Finally, your name should not confuse your company with another business.

You may want to pick a name that will not limit you to a particular geographical area just in case you plan to expand in the future.

The Name Test

Once you have selected a few names, determine which names appeal to your target audience. Ask some prospective customers for their opinions. Ask them what words or phrases would catch their attention.

Ask if the name enables your business to stand out from the crowd.

Are there words or phrases in your name that communicate what your business does that would be important to prospective customers. Does your name offer potential relief for your customers' problems?

Many professional services firms such as lawyers and accountants use the name of the partners, followed by a description of the profession.

For example: Smith Harrison Baker, Barristers and Solicitors; Evans, Thompson & Young, Chartered Accountants.

By describing their profession after the business name, they have told prospective clients the nature of the business.

Finalizing Your Name

Once you have finalized your selection or whittled your names down to a few, the next step is to determine whether that name is currently being used.

Utilizing the Internet, you can do a preliminary search to determine if a company exists with that name. However, just because you cannot find a link on the Internet, it does not mean that a business with that name does not already exist.

A lawyer will be able to do a name search to determine if there are any businesses in your industry and / or your geographical area using a similar name.

If your business is planning to have a website, you should also take into account the available domain names before finalizing the name of your business.

While the name that you want for your business may be available, that domain name may have already been registered by another company.

If you still want to use the chosen name for your company, you will have to pick another domain name (or a variation of that name) that compliments the business.

Registering Your Business Name

In most cases, you will want to register your business with the government for tax identification purposes. Upon registration, you will receive a business license which is proof of the registration of your business name.

However, incorporating your business (through a lawyer), provides greater name protection under the law.

Memorable Names

We have all seen names for business that we thought were clever, original, ingenious and very appropriate.

Below are four business names that I have found exceptionally creative and interesting. I hope you enjoy them as well.

- Juan in a Million – a Mexican restaurant
- Brilliant Deductions – a tax preparation company
- Wreck-o-Mend – an auto body shop
- Pain in The Glass – a mobile windshield repair company

I wish you much success with picking the name for your business.

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