

SelfInformed

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Could Changing Your Company's Name Boost Your Business?

By Mindy Charski

Small Business Legal Services was a name that said it all, but maybe too much. The problem: Many companies on the larger end of the small-business spectrum didn't classify themselves as small at all.

"If the name is changing, then what you're communicating about the brand needs to change as well."

"We thought we were closing the door on a lot of the potential clients we wanted to work with just by using that name," says owner and managing attorney Michelle Bomberger.

So in 2009, she changed the name of her Bellevue, Wash., boutique firm to Equinox Business Law Group and began building the new brand through social media and other vehicles.

"[The new name] definitely sends a different message," Bomberger says. "Without question it's been the right move for us."

Your company's name is the core of its identity, which makes it one of your greatest assets. Replacing a name can be downright risky, especially if it has strong brand equity.

But there are good reasons to justify a switch. A new name that's carefully chosen and successfully marketed could be the fresh start your company needs to thrive.

Reasons For Renaming

To be sure, not all name changes are voluntary.

Several months after Wendy Kalif and her husband, Francis Devilliers, opened a bistro called Bouchon in Richmond, Va., they encountered a naming problem. Another restaurant that does not operate in Virginia accused Bouchon of violating its trademark on the name.



3 NASE RESOURCES

Find the help you need for renaming your existing firm or naming your new company.

1. **Business 101:** Our micro-business consultants answer all of your naming questions, from copyrights to Web domains. And it's included in the cost of your NASE Membership.

2. **BizFilings:** Need a DBA to go with your new business name? Turn to BizFilings for discounts on DBA filing, business formation services and business license application packages.

3. **crowdSPRING:** If you want a new logo for your new business name, go to this online marketplace where you can post your project needs and budget. More than 53,000 creative minds are available to submit actual designs for your review.

The family business fought the accusation, believing that “bouchon” is a generic French term for a “Lyonnaise-style diner.” But ultimately, they decided to change the name rather than engage in a costly court fight. In December 2010, the restaurant became Bistro Bobette, a name that honors a family dog.

Trademark infringement (or the potential for it) is just one reason to consider a name change for your business. But, there are many others.

A name may no longer reflect the business, for instance. A moniker could be too limiting if it describes just a single offering when the product line has expanded. Or perhaps the products or services have changed altogether, and the name is out of sync.

Your name could also sound like those of your competitors, or it could be too hard to pronounce, spell or understand over the phone.

An eponymous name can produce its own problems. For one, it may not say enough about the company.

When Alexandra Watkins switched from being a copywriter to a naming specialist in 2005, she also stopped operating under her own name and called her new San Francisco firm Eat My Words.

That name “has a personality to it,” Watkins says. “It’s unexpected, it’s playful, it’s creative, it’s fun, and that’s what our business is.”

Likewise, what if you want to sell the company one day? There’s a reason attorney Michelle Bomberger doesn’t share a name with her entity.

“I was intentionally trying to create a firm that was not about me because I want to create something that has value to transfer to somebody else in the future,” she says. “With my plans to grow the firm, the vision very much is that, ‘Michelle is not your lawyer, Equinox is your law firm.’”

Choosing A New Moniker

If your name seems worthy of replacement, don’t limit the pool to a few possibilities.

Laurel Sutton says the naming firm she co-founded, Catchword in Oakland, Calif., typically generates 2,000 or 3,000 name candidates for clients.

Sutton says that an ideal name should:

- Appeal to your target audience
- Identify something unique about your business
- Set you apart from your competitors
- Establish an engaging connection with customers
- Work with your overall brand

It should also be easy to remember, hard to mispronounce, and void of a negative meaning in languages used by your customers.

You may also want to pick a name that you can legally protect.

Your customers, partners, vendors, investors and even friendly competitors can all offer useful feedback. Don’t rely too heavily on input from family and friends, however.

“The worst thing you can do is to invite the opinions of people who don’t know what you’re doing, don’t understand your business, and are not your target customers,” Sutton says.

Check for possible legal conflicts after you’ve got a short list in hand. You can research trademarks on the website of the [U.S. Patent and Trademark Office](#).

To see if your potential names are already being used as either legal names or trade names, do a thorough Internet search that includes online state databases, like those of your secretary of state or licensing agency.

Then search every other resource you can think of that may contain business names. Trade journals and phonebooks are a good start.

Bomberger says you should look not only at whether a name is being used, but also whether it’s being used in the same or similar industry as your company. The issue is whether the names are “confusingly similar” to a customer.

But even with thorough due diligence, it’s a good idea to hire an intellectual property attorney who can help you navigate

potential legal troubles related to choosing a name and protecting it.

There's a lot of gray in this area.

For instance, take the name of Bomberger's Washington firm, Equinox Business Law Group. There are other companies that use the name Equinox in Washington, including a horse boarding facility. That didn't present a conflict to Bomberger because customers aren't going to confuse her law office with a farm or ranch.

But would she have had a problem if there were an Oregon law firm called Equinox that had already done business in her state? Potentially, she says.

Making The Change

Once you've settled on a new name, you've got to let people know about it, and that can be costly.

Though your own expenses could be lower, Lee Roberts says he spent \$250,000 when he changed his company's name in 2006 to Merchant Metrix. The change was prompted by Apple's demand that he stop using its name in his primary product, Apple Pie Shopping Cart.

Roberts expects to shell out even more for another name switch he made in September—to Ascender Commerce—because he's pursuing trademarks. (He says Merchant Metrix confused some prospects who didn't understand what metrics were. And the new name reflects the ability of the Norman, Okla., company to help clients ascend through search results.)

Many of the costs of amending a name come from necessary changes to business licenses, letterhead, websites, signage, uniforms, bags, product labels and any other item that features a name.

You may have attorney fees, too.

"A confused customer is your competitor's customer."

Renaming And Rebranding

Costs can also rise if you simultaneously rejigger the look and feel of your company's brand rather than simply plugging in the new name.

"If the name is changing, then what you're communicating about the brand needs to change as well," says Maria Ross, author of "Branding Basics for Small Business" (Norlights Press, 2010).

You can borrow from some branding elements you've been using, but Ross warns, "You're going to want to show there's a shift from what you were to what you are now."

She says, for instance, you could use the same colors but create a logo with a new typeface.

Regardless of the extent of your rebranding, you'll want to invest in marketing your name change by using tools like press releases, advertising and social media. You may need to include phrases like "formerly known as" in communications until your new name feels established.

"A confused customer is your competitor's customer," says Ross, who is also the founder and chief strategist of Red Slice, a Seattle-based branding and marketing consultancy. "[Customers] don't have time to try to figure things out, so make it easy for them to connect the dots."

For instance Kalif, owner of Bistro Bobette's, made it clear in a press release that "nothing but the name will change."

She says, "We have a very loyal clientele, and I don't want any customer confusion or for anyone to think the restaurant had changed hands or had gone out of business."

When Not To Rename

Given the risks, costs and headaches, a name change may not ultimately be the right solution for you.

"If you have a name with a lot of public recognition, many loyal customers, and the exact dot-com domain, you might want to keep the name and rely on other marketing channels to balance any negatives," Sutton says.

You can even use some negatives to your advantage.

Yes, the surname in Gianfagna Strategic Marketing is hard to spell and pronounce. But the Cleveland firm celebrates its moniker with the tagline, "Tricky name, terrific results," and advises people that Gianfagna rhymes with lasagna.

"We decided to make a joke out of it, and people have really warmed to that," says founder and President Jean M. Gianfagna. "It's built a unique identity that is very valuable." ■

To maintain her byline's brand equity, Dallas-based freelancer **Mindy Charski** changed only her legal name, not her professional one, when she got married in 2001.





School's Out!

Tips For Entertaining Your Kids While Running Your Home Business

By Suzanne Martin

It's the big challenge every summer for self-employed parents who work from home: How to keep the kids busy during those hot, school-less days . . . and run a business at the same time.

Not to worry. We've got 10 tips and ideas ready to go. Some will surely work for you and your youngsters.

1 Sync your work schedule with programs for the kids. Plan the bulk of your work for the hours, days or weeks when the kids will be out of the house at summer camp or Grandma's or a friend's.

2 Find half-day activities for the youngsters. Soccer lessons, art classes or day camps will free up a few hours of your time for business phone calls or meetings.

3 Don't overlook longer-duration summer camps. They come in all flavors—from basketball and cheerleading camps to music and art camps. And they last from a few days to a week or more.

4 Find enrichment programs to ignite your child's imagination. Many major museums are child-friendly, with interactive exhibits that feature everything from dinosaurs to rockets. Some offer half-day activities that don't require parental guidance. For other programs, you'll need to be present while your child explores. Check out art museums, planetariums, natural history museums and cultural museums.

5 Go mobile. Take the kids to the park or the beach or the playground. And take your smartphone, iPad or laptop with you. The kids can run and jump. You can work.

6 Send the kiddos on a short vacation. Grandparents might love a few days with the youngsters. What about uncles, aunts and cousins? Short vacations can give you a few days of uninterrupted work while your kids strengthen their relationships with extended family members.

7 Let your kids act out at a local children's theater. You can drop off older children for rehearsals and grab some time to yourself. Younger kids sometimes practice on stage while parents sit quietly in the theater. Consider that an opportunity to recharge your own batteries.

8 Local libraries can be great kid-friendly summer resources. There are story times, puppet shows, storytelling events and other activities to keep the youngsters occupied. And you can catch up on a little business reading while you wait.

9 Check the local recreation center for organized sports classes and activities. Many offer classes in gymnastics, hockey and other sports. Prices are usually reasonable.

10 Even the hectic days of summer can offer a bit of structured learning for your kids. Consider enrolling your children in lessons for history, math and other subjects. Many classes are offered through tutoring companies and local community centers. If you can't find one, consider a private tutor who will come to your house for a few hours each day or week. Local college students make great tutors and usually charge less than professionals. ■

Suzanne Martin, a freelance editor and writer in Dallas, always liked summer day camps when she was a kid.



Micro-Business Owners Concerned About Federal Deficit

The federal government recently announced that it has reached the debt ceiling and has shuffled funds to meet the nation's financial commitments.

Meanwhile, micro-businesses and the self-employed believe that spending for domestic programs, job creation initiatives, tax cuts and federal subsidies should be scaled back to address the deficit, according to a recent survey by the NASE.

Day in and day out, the self-employed are required to manage their budgets and balance their books. It puts our economy at future risk for our federal government not to do the same. This sentiment was echoed in survey responses.

Ninety-three percent of micro-businesses were either moderately or significantly concerned about the federal budget deficit. Seventy-four percent said that the federal budget deficit is a significant problem that needs to be addressed immediately. In a distant second place at 17 percent were respondents who indicated that the federal budget deficit is a significant problem that needs to be addressed after our economy fully recovers.

When asked about the best way to reduce the budget deficit, 63 percent of micro-business owners indicated that cutting federal spending was their top priority. Thirty-two percent said both cutting spending and raising taxes were needed.

The top three proposals for tackling the deficit that micro-business owners favored were:

- ✶ Minimizing Social Security benefits for upper income recipients (65 percent);
- ✶ Increasing the payroll tax cap on wages (at present individuals only pay

Social Security taxes on wages up to \$106,800) (60 percent);

- ✶ Repealing and/or defunding the health care reform law (59 percent).

Contrary to the larger business population, the self-employed also favored (55 percent) phasing out the Bush tax cuts for those making more than \$250,000 as a way to curb costs.

Proposals that were opposed by the self-employed included an increase in the federal gas tax (77 percent), imposing a national sales tax (69 percent) and the elimination of all tax deductions and subsidies (61 percent).

According to the survey, the self-employed and micro-business communities indicated a willingness to do their share to ensure that our federal budget deficit is addressed and our nation's economy steadily grows. However, they were not as confident in the willingness of policymakers to step up and make the political sacrifices necessary to get the job done.

Ninety-six percent of micro-business owners had little to no confidence that Congress would make the right decisions about addressing the federal budget deficit. When asked the same question about the Obama administration, 82 percent had little to no confidence.

Yet, overwhelmingly, self-employed respondents indicated they were very (24 percent) or somewhat willing (46 percent) to make sacrifices in the form of higher taxes or a cut in government benefits if it meant that our federal budget deficit would be addressed in the next five years.

More information, including full survey results and methodology, is available online at [NASE Survey Results](#). ■