



Start-Up Guide Series:

How to Pick a Good Company Name

One of the early and surprisingly big challenges for a startup company is to decide on a company name. The law considers a company to be a separate “person,” and selecting a name for this corporate person can be as difficult as naming a new baby! The following guidelines, largely based on characteristics of strong company names we all know, should help. These are not inviolate rules of course, and it is possible to successfully ignore them! But it should be done with care, as you and your investors will need to live with this name for a long time – and later investors may insist you change it, which can be costly and disruptive.

1. No more than four syllables. The reason is simple; people simply won’t say a name that is longer, they will abbreviate it. For example, nobody says International Business Machines, they say IBM.
2. Phonetically spelled. Think radio advertising. Can a listener find your company on the web, or do you have to spell it in your radio ad? There is an anti-snoring device called “Zyppah,” which they have to spell twice in every radio ad.
3. No tongue-twisters. Even if you find it easy to pronounce, remember that your audience, most importantly investors, may not find it so easy. And if there are several ways to pronounce it, that’s confusing, too. Ask friends and family, they will tell you.
4. Think about your audience when considering foreign language names. There are beautiful words and phrases in many languages. If you hope to attract investors from France, or if you plan to sell French wine, an obviously French name may be a good idea. But perhaps not so good for raising money for oil drills in Texas.
5. Don’t limit yourself to the current product. Startups often “pivot” to other products and markets over time, and you don’t want your company name to make that awkward or unexpected. If your company is “Computer Monitors Inc.,” will customers think of you when buying laptops, tablets or desks? Probably not. In addition, you might give up your current plans and go into a very different market. Why not recycle a good name you already registered the trademark for?
6. Be gender-inclusive. As interesting as the names of Greek gods are, using a clearly male or female name may not appeal to everyone.

7. Avoid negative meanings in foreign markets. Chevrolet was disappointed with sales of its Nova car model in South America, until someone pointed out that it means “no go” in Spanish!
8. “Merely descriptive” trademarks take 5 years to register. If your company name is “Diabetic Products Inc.,” the U.S. Patent and Trademark Office (USPTO) will reject it as “merely descriptive,” until you can prove that to the public it means your specific company – usually established by 5 years of continuous use in interstate commerce.
9. Consider the three more distinctive kinds of names. A “suggestive” name infers something about the company, e.g., Citibank (financial services), Greyhound (bus lines), and Jaguar (automobile). An “arbitrary” name is a word with no relationship to the products, which in time can become more known for the company or product than the dictionary meaning, e.g., Apple (computers) and Blackberry (cellphones). A “fanciful” name is a made-up word, e.g., Exxon (oil and gasoline), Kodak (camera film), and Xerox (copiers). A Scrabble set or writing positive words on paper slips and cutting them into syllables can help you come up with an arbitrary name.
10. Consider the tenor of your industry. “Yahoo!” is a great name for a search engine, but “Yahoo Pharmaceuticals Inc.” wouldn’t work at all!
11. Avoid the commonplace. A biotech company that has “bio” in the name or a nanotechnology company with “nano” in the name may sound like just one more “me too” among many companies. And keep number (5) above in mind, too.
12. Search the USPTO trademark database. You can find it at uspto.gov. Your goal is to avoid using a registered mark of another in the same product class (i.e., infringement), and avoid “likelihood of confusion” with other marks that will block your registration.
13. Search the web. There are many company and product names for which no trademark was registered, but your favorite search engine may find them.
14. Is the domain name available? A quick search on GoDaddy.com or another domain assignment site will reveal this. Sometimes people reserve names and then offer to sell them for a high price; you may want to avoid such names. For fanciful names you can often reserve the .com domain for a few dollars. If the most logical domain name for your company, e.g., “Arbuckle.com,” is already used by another company, using “Arbucklepharma.com” is not going to prevent searchers from going to the wrong web address. You might want to consider picking a different name.
15. Select several possibilities and ask around. Try to pick 2 or 3 possible names, and ask family, colleagues and friends what they think of them. You may find a name that sounds good to your ear is awkward or odd to people outside your technical field. Since you want to attract investors from all walks of life, this is feedback worth heeding!

