

## **CORPORATE NAMES**

Nothing is more personal than a name. That applies just as well to companies as it does to individuals. And just like parents get to pick the name for their offspring, so too can the founders of companies pick the name under which they do business. However, as we shall see, when it comes to corporations the process is more complicated and there are a lot more restrictions.

Generally, corporate names must be distinctive. Except for specially limited companies, they must have, as last names, the words "Limited", "Incorporated" or "Corporation" (or the abbreviations Ltd., Inc. or Corp.). This is to alert people with whom they deal that they are dealing with a company, not an individual.

You can also have a "numbered" company name where the name of the company is the same as the next available file number (incorporation number) at the Registrar of Companies. These numbered companies are often employed by lawyers, developers or other people in a hurry who can't wait the two weeks needed for the name reservation. Lawyers call them "shelf companies" because they sit on the shelf, ready at a moment's notice, until someone comes along to buy them.

The Registrar of Companies has the final word on the name you pick although he has to have a good and valid reason for not approving it. The usual reasons are that someone else either has that name (no "John Smith" problems in the corporate world) or else has a name so similar that it is likely to cause confusion or mislead people. There are, doubtless, a number of boys out there named Sue who wish that the Registrar of Vital Statistics had the same veto powers of the Registrar of Companies.

Usually, corporate names should have both a distinctive element and a descriptive element. For example, "The Overpriced Crap Store Ltd." is descriptive but not distinctive, as many stores sell overpriced crap. "Freddie's Store Ltd." is distinctive but not descriptive so it, too, would likely be rejected. However, if you tried "Freddie's Overpriced Crap Store Ltd." that name is both distinctive and descriptive and would probably be accepted, assuming someone else doesn't already have it – in this case a relatively safe assumption.

There are a number of no-nos in picking a corporate name. You can't use words like ministry, branch, commission, board, or other such words that imply government connections. You are also not allowed to use words like authorized, certified, institute, council or similar phrases that imply government approval.

If you use names like Crown, King, Queen, Prince of Wales, Royal or other epithets suggesting a connection with the Crown or living members of the Royal family, you can expect your suggestion to be quickly rejected. It seems odd that a country that achieved independence over 135 years ago would cling to such old colonial ideas but there you are. You may well hear names like that bandied about from time to time, but chances are good that such companies emanate from south of the border (such as the LA Kings or the Kansas City Royals) where they aren't so particular about that sort of thing.

Some names are simply taboo as being objectionable on public grounds. Curse words may be perfectly all right for prime time TV but, we are told, they have no place on buildings or on the letterheads of Canadian businesses. Similarly, vulgar expressions, obscenities or other such nastiness will not be approved. References to public figures, political parties or elected officials are also verboten.

Of course, there are a variety of other miscellaneous prohibitions, too numerous or obvious to mention. Mostly, all it takes is a little bit of common sense to figure them out. If your own mental filter doesn't weed them out, the Registrar of Companies will be sure to set you straight. In any event, since you get to try three different names for the price of one search, you should be able to hit on at least one name that is available.

One thing you should remember about picking a name is that it is a lot like your own name. If you screw up on your pick then you're the one who's going to have to live with it. Names of either sort are a real pain in the butt (and expensive) to change. The really long name that sounded so cute when you first thought of it may get a bit tired after you've written it down a couple of thousand times. If possible, keep it short and keep it simple.

Choose your name well. Hopefully, you'll be using it for a long time.