

Starting a New Jersey Business? Why Your Name Matters

by Mark K. Follender on June 1, 2012

When starting a New Jersey business, there are countless issues to consider. Your company's name should be near the top of the list.

In many cases, the name you select will become the face of the business. As such, it is important to come up with a creative name that will help you market the business once you are up and running. This can be a difficult task, as evidenced by Kraft Foods' attempts to name its new snack business.

Ever since the company revealed that it was planning to name its new venture "Mondelez," a combination of the Latin words for "world" and "delicious," it has been mocked mercilessly in the media. A Forbes contributor offered the following trick for pronouncing the name correctly: "Just think Bush Administration Secretary of State. You know, Mon-de-leza Rice."

Of course, there are also several legal considerations when it comes to naming your New Jersey business. First, you need to make sure that your chosen name is available by checking with the New Jersey Department of the Treasury. Should you begin forming your business with a name already in use, the registration will be denied and you will have to select another name, wasting both time and money.

Once you have determined that the business name is available, you can reserve your business name prior to registering a new business entity. Corporations can reserve a name for up to 120 days.

When registering your business name with the state of New Jersey, names are not checked against existing trademark or service mark registrations. Therefore, it is also important to verify that an existing business is not already using your chosen name. Trademark law prevents businesses from operating under names that are likely to be confused for the name of a competing business. That means you could face legal liability if you select a name that is already being used to offer the same goods or services in your area.

Once a name is selected, New Jersey businesses should also register their business name as a trademark. While it is not required, trademark registration provides valuable protection of your business name and establishes legal remedies should a competitor use the same name.

Of course, this post outlines just a few of the legal issues New Jersey entrepreneurs may encounter when naming their business. Therefore, we recommend consulting with one of our experienced New Jersey business attorneys.