

GT&A In The Media (an article from 2000)

"Rename Redux: Is It Time to Rechristen Your Company?"

*By Lorna Lynch
for Office.com*

Bob Dylan was born Robert Zimmerman; Gordon Sumner renamed himself Sting; Judy Garland switched from Frances Gumm; and the most famous he-man cowboy of all time, Marion Morrison, re-branded himself John Wayne. What's in a name? As poor, doomed Romeo soon found out -- pretty much everything.

Death in the Capulet crypt isn't the usual consequence of having the wrong name in the business world, but an increasing number of companies are opting to re-christen themselves despite the inevitable cost and inconvenience.

Graeme Thickins is the founder and president of GT&A Strategic Marketing, a Minneapolis firm that helps small and mid-sized companies with all aspects of marketing, including rebranding. He says interest in name-changing doubled between 1998 and 1999, and peaked in the first quarter of 2000.

"Renaming has become a popular, trendy thing to do," Thickins says. "People looked at names like Java and Yahoo! and they want names for their own companies that capture the imaginations of consumers like that." The trend has snowballed recently, he says, because "the technology field has discovered the power of naming."

Because You Want To

Companies are re-christening themselves for two very simple reasons: they either want to, or they have to, says Thickins. On the voluntary side, many companies switch because the original is too long, too vague, or just too boring. "They're failing to communicate their message to their key audience," says Nan Budinger, creative director of San Francisco's Metaphor Name Consultants, which helped give Architext, a software developer in Cupertino, Calif., a new life as Excite.

That's confirmed by Dmitri Ekimov, CEO of an Arlington, Va. unified messaging service previously called ContactNumber.com. "That was too long and too narrow," he says. "Also, we wanted something more memorable -- like Yahoo!" Ekimov's choice: aTelo.

Interestingly, the company opted for a new name after only three years in business, and one year of operating in the U.S. Was it wise to change so soon? "Definitely," says Ekimov. "Identity is very important and it helps to become known with a quick, simple name."

Thickins has assisted a number of companies with similar motivations.

- Net Sources International, a B2B exchange company in St. Paul, Minn., wanted something more memorable and became ZeroFriction – an allusion to its objective of eliminating the middle man.

- An Internet commerce firm in St. Paul, Minn., didn't like the sound of InTrek and became Eliance – an intentional association with the word "reliance,"

- ThemeMedia of Redmond, Wash., which develops mapping software, found its name too cumbersome and became Cartia, from the French *carte* for "map."

A second commonly cited reason for a voluntary change of titles is a change of direction. "Often, a company's name will be tied to a specific technology or product that has become dated," says Budinger. "Or it will have discovered new success with a new product."

SAC Technologies of Eden Prairie, Minn., for example, is currently in the process of moving to Las Vegas and renaming itself Bio-Key International. "We charted a new course of action," says marketing chief Jeff Brown, "and we wanted a new name to reflect that." SAC began working with biometric fingerprinting technology in 1992. It has since developed a core algorithm, the Bio-Key, and is now more focused on supplying it globally – hence, Bio-Key International. "It's a better explanation of what we're doing," says Brown.

Because You *Must*

In many cases, a company's name change is not a choice, but a necessity. A small business may expand, for instance, and upon conducting a national or global trademark search, will discover its name is already being used. Or a large company may host a spin-off, such as World Kitchen branching off from Corning Consumer Products.

Conversely, acquisitions and mergers will often necessitate a name change – sometimes two or three. USWeb of Santa Clara, Calif. and CKS Partners of Cupertino, Calif., for example, joined forces in December 1998 to form USWeb/CKS. Just three months later, that company merged with Whittman-Hart of Chicago and became marchFirst, now a global professional services company.

Then there's the good old lawsuit. Nancy Grigor, CEO of HamptonsLocations.com, for example, is "still in court" battling Darrell Rubens of HamptonLocations.com. The former is a locations scouting firm in Amaganett, NY; the latter, a large South Hampton home for rent as a media location by the owner.

Grigor is alleging that Rubens began his Web site only after seeing her company's card, and that his site's name was chosen specifically to drive her traffic to him. "It's not enough to just change one letter," says her attorney, Michael Griffith. "I can't rename my company Pepsco-Cola and expect to get away with it."

While the outcome of the dispute is yet unknown, there is one certainty: someone's going to end up with a pricey new name.

Matchless Monikers

Once the decision to rename has been made by – or thrust upon – a company, there remains the crucial issue of selecting the right one. "It is the single most important marketing decision a company will ever make," says Thickins.

Marketing firms like GT&A and naming specialists like Metaphor essentially follow the same procedure. After in-depth interviews with the company, hundreds (sometimes thousands) of potential names are whittled down through legal and linguistic analyses to two or three finalists. That can take anywhere from a few weeks to many months. "The broader the search, the longer the process," says Thickins. And more importantly: "You need CEOs with strong leadership – the more people involved, the slower the process," he says.

Time, of course, is the least painful expense incurred in an identity change. Financially, the whole process will run anywhere from \$10,000 to \$30,000 to a few million dollars, depending on the size of the company, the type of firm hired, and their location.

First, there are consultants' fees, which run the gamut. GT&A charges between \$2,500 and \$15,000 for naming services, whereas Metaphor charges \$25,000 to \$40,000. Many smaller companies, such as Bio-Key and aTelo, chose to avoid the consultants' costs altogether by devising their own names and conducting free preliminary searches. (Two sites for free searches are NetworkSolutions.com and USPTO.gov.)

Some expenses can't be avoided, however, such as legal fees, which can easily run into the \$10,000 to \$25,000 range for small to mid-sized companies. Then, there is the cost of re-marketing, which entails everything from new business cards and letterhead to redesigning the logo and Web site to launching an extensive ad campaign. Naturally, this expense will vary tremendously, but "we've found it can range from ten thousand to north of fifty thousand or more for small and mid-sized firms," says Thickins.

Despite the costs, once a company has committed to changing its name, "it's almost always a positive move," says Thickins. Budinger offers a word of caution, however: "You can never fool your audience," she says. "If you pretend you're new and improved -- and you aren't -- it will backfire."

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