

Choosing and Using a Co-op Company Name

In-depth guide



What's in a name?

A co-operative's name is the unique identifier of its brand and identity. This short guide sets out the requirements for choosing and displaying a name for co-operatives that have chosen to incorporate as a private limited company.

What are the considerations for choosing a co-operative's name?

Before choosing a company name, it is a good idea to check the register of charities, trademarks, domain names registry and use the Companies House WebCheck service to ensure that it is not the same as an existing company on the Register of Companies. An example of a 'same as' name includes 'Plum Technology Limited' and 'Plum Technology & Company Ltd'. In this example, the word 'Company' is disregarded as a distinguishing term when determining whether the companies names are the same.

A name may be 'too like' an existing name if it differs from another name on the index by only a few characters, signs symbols or punctuation or if it looks and sounds the same.

Other important points to consider

A name of a private company limited by guarantee or by shares must (unless exempt) end with the word 'Limited' or the suffix 'Ltd'. Alternatively, if the company's registered office is in Wales it may use the word 'cyfyngedig' or suffix 'cyf'. However, if the company is to be registered as a community interest company, the words 'community interest company' or the suffix 'cic' of the Welsh equivalents must be used instead. Once the company is registered with 'Limited' or 'Ltd', 'Community Interest Company' or 'C.I.C' or their Welsh equivalents, it forms part of the company's name and should be used consistently.

A check on the regulations setting out the requirements for the use of certain terms in company names should be made to ensure that the name or words used within in it are permissible. A detailed list of these requirements can be found in Companies House guidance. A useful example to note is the use of the word 'co-operative'. In order to use the term in the name, a company must be able to evidence in the governing document that:

- It is owned and controlled by its members, customers or employees
- Membership is voluntary and open i.e. it should not be artificially restricted in

order to increase the value of the business or its assets

- Members are able to participate in the economic activity of the business
- Profits are to be distributed equally among the members or at least in proportion to the extent each member has participated in the business

Other commonly requested terms where evidence and/or permission is required in order for them to be used in the company name include:

- British, Welsh, Scottish – cannot be used if they imply a connection to the government of that jurisdiction
- Association – may only be used if the company is limited by guarantee and its governing document includes: objects that reflect the specific purpose of the company; a one member one vote clause; and a non-profit distribution clause which provides that any profits should be used to further the objects of the company and not paid members as dividends
- Trust – use depends on the reasons given as to why it is to be used in the company name. Ordinarily, the company should be operating as an artistic, educational, charitable, enterprise, family, investment, financial, pensions, staff or unit trust and be able to provide evidence that meets the registrar's requirements for approval as set out in the guidance
- Credit union – an example of where a term is controlled by other legislation, in this case the Credit Union Act 1979 and its improper use could constitute a criminal offence. Permission from the Financial Conduct Authority must be gained before a company can include this term in its name

How do you change a co-operative's name?

The more common method used to change a company name is by special resolution at a general meeting or, if the articles permit, by written resolution. Once the name is changed the company must submit a signed copy of the resolution, Form NM01 and the fee either by post or electronically to Companies House. Filing the paperwork electronically is a quicker and cheaper method of making the change, which takes effect within 24 hours of receipt. It can take up five working days for the change to take effect if the paperwork is posted.

What are the requirements for displaying a co-operative's name?

Every company, unless it has been continuously dormant since incorporation, must display a sign with its registered name at its registered office, any inspection place and any location at which it carries on business (unless primarily used for living accommodation). The sign must display the name in:

- Characters that can be read with the naked eye
- Such a way that visitors to that office, place or location may easily see it. If the location is shared by six or more companies, each company must either display

its registered name for at least 15 continuous seconds at least once in every three minutes, or make its registered name available for inspection on a register

A company's registered name must also be included in all forms of business correspondence and documentation, whether hard copy or electronically including:

- Business letters, notices and other official publications
- Business emails
- Bills of exchange, promissory notes, endorsements and order forms
- Cheques purporting to be signed by, or on behalf of the company
- Orders for money, goods or services purporting to be signed by, or on behalf of the company
- Bills of parcels, invoices and other demands for payment, receipts and letters of credit

What other information is required to be displayed?

Alongside the name, the company's business letters, order forms and websites should include:

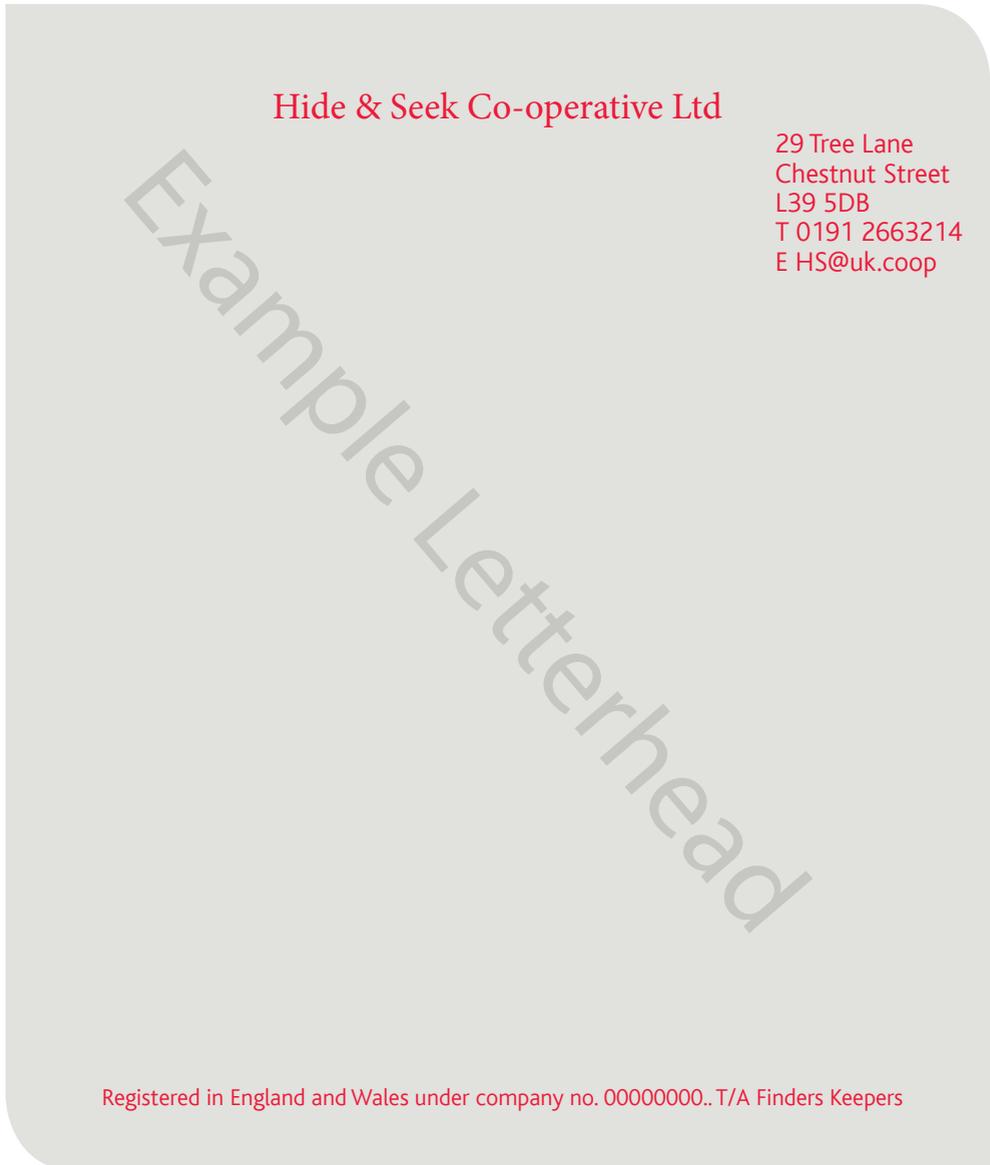
- The part of the United Kingdom in which the company is registered (i.e. England and Wales/Scotland/Northern Ireland)
- The company's registered number
- The address of the company's registered office
- The fact that it is a limited company (if the company is exempt from the requirement to use 'limited' in its name)
- The fact that it is a limited company (if the company is a community interest company which is not a public company)
- The amount of paid up share capital (if it is a private company limited by shares which has chosen to display its share capital)

Can a co-operative adopt a trading name?

A co-operative may choose to adopt a 'trading name' or 'business name' that is different to its registered name. When doing so, the same considerations given to choosing a company name should be given to choosing a trading name. In addition, any trading name must not be misleading (for example, by the inclusion of the word 'limited') or if the company's activities cause or are likely to cause harm to the public. In the case of the latter, an existing company with the same or a similar name to a trading name may bring a 'passing off' action (even if adopted unintentionally) and may sue the co-operative for damages and/or get an injunction to prevent the use of the name. The strength of a case for passing off will depend on how well known the company bringing the action is, whether the two companies are carrying out the same activities, and which company was using the name first.

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When displaying a trading name, the company's registered name should be shown alongside it. An example of how a company should display its corporate information is shown below:



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