

## Presentation Outline



### Successful brands:

- Must be memorable/distinct
- Highlight unique selling points
- Resonate with target audience

**Starting a business is  
launching a brand!**

## Legal Form: Options

- Sole Proprietorship
- Limited Liability Company (LLC)
- Partnership
- Corporation
- S-Corp

### Important considerations:

- Double taxation
- Liability
- Ownership

More information:

<http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Business-Structures>

<https://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/choose-your-business-stru>

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## Legal Form: Sole Proprietorship

- Simplest and most common structure
- Business owned and run by one person
- No limitation of liability for owners
- No distinction between business and owner
- Income reported on personal income tax
  - (Schedule C and Form 1040)
- No formal action required to form
  - Except registering "Doing Business As" (DBA) name if you want to name your business.

Trade Names		Recorders Information
Verified statements of person or co-partnership conducting a business under a trade name or assumed name. (Chapter 547, Code Of Iowa)		
STATE OF IOWA, MARION COUNTY County, ss:		
I, <u>Jeana M. Clark</u> in compliance with the provisions of Chapter 547, Code of Iowa, being duly sworn depose and say that the business conducted, or to be conducted, under the trade name of <u>Clark Translations</u> the business address of which is <u>406 Main Street, Pella, Iowa</u> , in above named county, is owned by the following persons:		
Names of Persons Owning or Having Any Interest in the Business	P.O. Address	Residence Address
Jeana M. Clark	406 Main Street Pella, Iowa 50219	406 Main Street Pella, Iowa 50219
and we hereby establish or amend as follows:		
<input checked="" type="checkbox"/> Establish Trade name <u>Clark Translations</u>		
file or document # _____		Date _____

Source: <https://www.sba.gov/content/sole-proprietorship-0>

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## Legal Form: Limited Liability Company (LLC)

- Slight variations by state
- Limits liability for “members” (i.e. owners)
- LLC is a separate legal entity
- Income passes through LLC and is reported on personal income tax
  - If single member: Schedule C and Form 1040
- Formal action required to form
  - In Iowa: “Certificate of Organization”

**CERTIFICATE OF ORGANIZATION  
OF  
KLARLINGUA, LLC**

The undersigned Organizer of a limited liability company organized under the Revised Uniform Limited Liability Company Act, Chapter 489, Code of Iowa, does hereby adopt the following Certificate of Organization for such limited liability company.

**ARTICLE I  
NAME OF THE LIMITED LIABILITY COMPANY**

The name of the limited liability company shall be KLARLINGUA, LLC.

**ARTICLE II  
REGISTERED OFFICE AND REGISTERED AGENT**

The address of the initial registered office of the limited liability company is 406 Main Street, Pella, IA 50219. The initial registered agent at such address is Jeana Clark.

IN WITNESS WHEREOF, the aforesaid organizer has caused the execution of the foregoing Articles of Organization on this 9th day of July, 2014.

  
David M. Repp  
Organizer of KLARLINGUA, LLC

Source: <https://www.sba.gov/content/limited-liability-company-llc>

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## Legal Form: Sole Proprietorship vs. LLC

Attribute	Sole Proprietorship	LLC
Setup Effort	↓	↑
Setup Price	↓	↑
Double Taxation	NO	NO
Liability Protection	NO	YES
Limited Ownership	YES	NO*

Key:

- = positive
- = negative

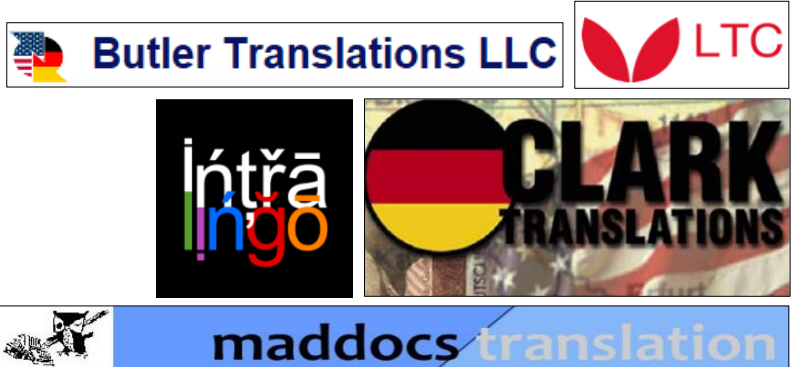
**Sole Proprietorship is easiest to set up but lacks benefits of LLC**

\*An LLC can have multiple owners, but there are still some limitations by state on total number of owners.

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## Name: Things to Consider Beforehand

- Ability to expand with you
- Desired connotations
- Target audience
- What makes you unique?
- **What's your brand?**



Sources: <https://www.sba.gov/content/how-name-business>

Marshall, L., & Beckhardt, N. (2013, December 23). Naming and trademarking: Creating your brand's first impression [Webinar]. In SCORE Workshops. Retrieved from <https://www.score.org/workshops/naming-and-trademarking-creating-your-brands-first-impression>

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## Name: Finding Your Brand

- Brainstorm words that describe you
  - Ask friends/family/colleagues for 2-3 words
- Examine competition
- Favorite non-industry brands
- Disliked non-industry brands



Source: Marshall, L., & Beckhardt, N. (2013, December 23). Naming and trademarking: Creating your brand's first impression [Webinar]. In SCORE Workshops. Retrieved from <https://www.score.org/workshops/naming-and-trademarking-creating-your-brands-first-impression>

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# Name: Choosing one....oh the fun!

- Type of name
  - Descriptive → **Suggestive** → **Arbitrary**
- Linguistic appropriateness
- Uniqueness & availability
  - Federal check ([USPTO](http://uspto.gov) > Search "TESS")  
[Trademark Electronic Search System]
  - State check (e.g. Iowa [Secretary of State](http://sos.iowa.gov))
- Digital viability
  - Domain check ([whois.com](http://whois.com))
  - Social media check ([namecheck.com](http://namecheck.com))

## Original names of:

1. The Pendletones => **Beach Boys** ?
2. Sound of Music => **Best Buy** ?
3. Brad's Drink => **Pepsi-Cola** ?
4. Blue Ribbon Sports => **Nike** ?

Sources: <https://www.sba.gov/content/how-name-business>

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Sources: <http://www.rollingstone.com/music/lists/25-worst-original-names-of-famous-bands-20150722/karas-flowers-20150721>

<http://www.cnbc.com/2015/05/26/19-famous-companies-that-originally-had-different-names.html>

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# Name: Making it Official

- Register business name
  - DBA/Trade Name (Sole Proprietorship)  
or
  - Certificate of Organization (LLC)
- Request Tax ID number (EIN)
  - <https://sa.www4.irs.gov/modiein/individual/index.jsp>
- Set up separate bank account

Source: <https://www.sba.gov/content/how-name-business>

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# Trademark: What is a Trademark?

Any word, slogan, symbol, design or combination of these that:

1. Identifies source of goods/services
2. Distinguishes them from those of another party

**A trademark is a brand for goods/services**



Source: Trademan, M. (n.d.). Basic facts about trademarks: What every small business should know now, not later. [Webinar]. In *Trademark Information Network News*. Retrieved from <http://www.uspto.gov/trademarks-getting-started/trademark-basics>.

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# Trademark: Advantages of a Trademark

- Presumption of ownership
- Presumption of exclusive right to use
- Mark listed in USPTO's database (TESS)
  - Even when still in application stage
- Right to take legal action in federal court
- USPTO registration as basis for foreign filing
- Able to use symbol: ®
- Incontestable after 5 years on TESS

KlarLingua	
Word Mark	KLARLINGUA
Goods and Services	IC 037. US 100 103 106. G & S: Internet website that features information about translation services, namely, IC 041. US 100 101 107. G & S: Translation Services; namely, document translation, editing, proofreading, tra
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	86506589
Filing Date	January 18, 2015
Current Basis	1A
Original Filing Basis	1A
Owner	(APPLICANT) Klarlingua, LLC LIMITED LIABILITY COMPANY IOWA 406 Main Street Pella Iowa 50219
Attorney of Record	Amy Plummer
Type of Mark	SERVICE MARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

Source: Trademan, M. (n.d.). Basic facts about trademarks: What every small business should know now, not later. [Webinar]. In *Trademark Information Network News*. Retrieved from <http://www.uspto.gov/trademarks-getting-started/trademark-basics>.

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## Trademark: Types of Trademark Applications

1. **\$325** or \$275 application
  - (per [Class](#): i.e. Class 41 “Education and Entertainment” + 37...)
2. Intent to Use Application
3. **Use-based Applications**
  1. Must specify date of first use
  2. Must attach a specimen [copy of business card/screenshot of website, etc.]

**Wise to seek the advice of a patent & trademark attorney.**

Source: Marshall, L., & Beckhardt, N. (2013, December 23). Naming and trademarking: Creating your brand's first impression [Webinar]. In *SCORE Workshops*. Retrieved from <https://www.score.org/workshops/naming-and-trademarking-creating-your-brands-first-impression>

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## Trademark: Application Process

### **What happens after my trademark application is filed?**

1. Application assigned to an examiner
2. Application assigned serial number – (if minimum requirements were met)
3. Six months to respond to any “Office Action” issued by examiner
4. Examiner approves/denies application
5. If approved, mark is published in Official Gazette
6. Third parties have 30 days to object

### **7. Maintenance required!**

Source: <http://www.uspto.gov/trademarks-getting-started/trademark-process#step4>

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## Trademark: Maintenance

- Keep trademark “live” by filing maintenance documents:
  - Between 5 and 6<sup>th</sup> year
  - Between 9<sup>th</sup> and 10<sup>th</sup> year after registration date.
- Monitor and enforce the trademark

**Maintenance and monitoring required to protect your trademark!**

Source: <http://www.uspto.gov/trademarks-getting-started/trademark-process#step4>

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## Overview of Costs Involved

	Sole Proprietorship	LLC
Legal documents	Cost to print Trade Name App from County Recorder's office	\$200
Filing fee	\$10	\$50
Logo design	\$500	\$500
Domain name(s) + Hosting/email (p. a.)	\$200	\$200
Trademark documents/attorney fees	\$1,000	\$1,000
Trademark filing (per class)	\$325	\$325
<b>TOTAL</b>	<b>\$2,035</b>	<b>\$2,275</b>

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## Recap

- Legal form can evolve as your business grows.
- Be intentional and strategic with your brand.
- The strongest marks are those that are “suggestive” or “arbitrary”.
- Maintaining your trademark and protecting your brand is your responsibility.

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## Helpful Resources

### ■ Legal Form

- <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Business-Structures>
- <https://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/choose-your-business-stru>
- <https://www.sba.gov/content/sole-proprietorship-0>
- <https://www.sba.gov/content/limited-liability-company-llc>

### ■ Name

- <https://www.sba.gov/content/how-name-business>
- Marshall, L., & Beckhardt, N. (2013, December 23). Naming and trademarking: Creating your brand's first impression [Webinar]. In *SCORE Workshops*. Retrieved from <https://www.score.org/workshops/naming-and-trademarking-creating-your-brands-first-impression>

### ■ Trademark

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