Deciding to start a business can be quite exciting. Choosing a name for your startup that is catchy and clearly defines its intended activities can be an even more exciting decision. However, when choosing the name for your business, it is important to ensure that you are making an informed decision.

To help budding entrepreneurs make the best decision, team U-Law has prepared some tips on the types of names/words you should avoid when choosing your company's name.
PROHIBITED NAMES

Under the Companies and Allied Matters Act 2020 (CAMA 2020), there are seven categories of names that are prohibited:

1. Names that are identical to the name of an existing company or limited liability partnership, or closely resemble such names and are capable of deceiving the public into believing that the companies are the same, are prohibited. An exception can only occur where the company or limited liability partnership in existence is in the course of being dissolved and consents to the use of the name, in the manner required by the Corporate Affairs Commission (‘CAC’).

2. Names that contain the words “Chamber of Commerce” are prohibited except the company is limited by guarantee.

3. Names that contain the words “Chamber of Commerce” are prohibited except the company is limited by guarantee.

4. Names that, in the opinion of the CAC, would violate or conflict with any existing trademarks, business/company names or body corporates that have been registered or existing in Nigeria are prohibited. Note that such names can be used where the consent of the trademark or business name owner or trustees of the body corporate has been obtained.
Names that contain any word which, in the opinion of the CAC, is likely to mislead the public as to the nationality, race or religion of the persons who wholly or mainly own or control the business are restricted.

Names that are, in the opinion of the CAC, deceptive or objectionable in that they contain a reference or suggest an association with any practice, institution, personage, foreign state or government, international organisation or brand, or are considered by the CAC to be otherwise unsuitable are prohibited.

Names that are capable of undermining public peace and national security are also prohibited.

**RESTRICTED NAMES**

It is important to note that while some names are not prohibited as outlined above, such names may be restricted and their use subject to the consent of the CAC:

1. The use of names that include the words “Federal”, “National”, “Regional”, “State” is restricted.

2. The use of names that include the word “Government”, or any other word which, in the opinion of the CAC, suggests or is calculated to suggest that the company enjoys the patronage of the Federal Government, a State Government in Nigeria, any Ministry or Department of Government, or contains the word “Municipal” or “Chartered” or, in the opinion of the CAC, suggests or is calculated to suggest, connection with any municipality or other local authority is restricted.
Names that contain the word “Cooperative” or its equivalent in any other language or any abbreviation; or the words “Building Society” are restricted.

The use of names that contain the word “Group” or “Holding” is restricted.

Additionally, the name of your startup should be such that the nature of business can be easily deduced upon hearing the name. For instance, if the business will operate in the food industry, the company's name may include the word “food” such that consumers/clients could easily decipher the line of business.

**Conclusion**

When choosing a name for your startup, making the right choice is key. It is very important to note the tips above and take them into consideration when making such a key decision.

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