

Three More Reasons Why Your Business Should Obtain a Trademark

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My last article focused on three reasons why your business should obtain a trademark. Here are three more reasons why you need a trademark.

4. Licensing

As the owner of your trademark, you have the possibility of licensing your trademark to others. This can result in increased revenues to your company. Licensing is a good alternative for companies who have limited resources but want to expand their product or service into other areas.

For example, if your business was located in New York, but you wanted to expand into another State (for example, Florida), you could license the use of your trademark to a local business in Florida.

Through licensing, your trademark becomes stronger. The name of your product, services or business is extended to other geographical areas. It also presents a marketing opportunity, as you can inform your clients that you are expanding. Your clients will know that your business is a strong company that is worth using.

More importantly, by licensing your trademark, you can generate a significant income stream to you and your existing business.

5. Selling Your Business and Trademark Can Extract An Extra Price For You

One day you may want to sell your business. Having a trademark associated with your company may allow you to sell your business for a greater price than a similar business without a trademark.

There have been numerous businesses which have been bought simply because the buyer wants the trademark associated with that business. A savvy businessperson who is buying your business realizes that your trademark has a value (in licensing and in marketing).

6. Having a Corporation Name, a DBA or a Domain Name is Not Enough

Having a corporation name, a DBA or a domain name (website) is not sufficient to protect you from competitors who have a similar trademark name. If your corporation is called "XYZ", this only prevents other companies in your state of incorporation from using the name XYZ. It does not prevent another company, in your state, from using a similar name, like XYZZ. It also does not prevent another company, in a different state, from using the same exact name, XYZ. It also does not prevent another company from obtaining a trademark for "XYZ".

This is also true if you have a DBA or a domain name. Having a domain name of www.xyz.com, does not prevent another company from using "XYZ" as its corporate name or on its products or services.

The best way to prevent another company from using a name you want to protect is to have your name trademarked. In this way, you may be able to prevent companies in all 50 States from using your trademarked name. You may also be able to prevent companies from using names that are similar to your trademarked name.

If you need more information about trademarks or need an attorney to help you obtain a trademark, the Badanes Law Office can help you. Contact the Badanes Law Office, which specializes in obtaining trademarks and trademark law for a free consultation. The phone number is 631-239-1702 and the website is www.dbnyiplaw.com.