

Companies and business names

The Companies Act 2006

(<http://www.legislation.gov.uk/ukpga/2006/46/contents>) (Part 5, Chapters 1-5) deals with permitted names and also the use of certain words and expressions in the name of a company, name changes and powers of the Secretary of State.

The provisions are brought into law by a Commencement Order, in force from 01 October 2009. The provisions are then specified in the Company, Limited Liability Partnership and Business Names (Sensitive Words and Expressions) Regulations 2009

(<http://www.legislation.gov.uk/uksi/2009/2615/contents/made>) which govern the use of sensitive words and expressions, prohibiting the use of certain words and expressions without the approval of the Secretary of State, in a similar manner to the previous Business Names Act. The regulations also specify that for certain names the view of the relevant Government department or other body is required and an indication in writing of whether that department / body has any objections to the proposed name, and if so why. Examples include 'national', 'dental' and the use of any name likely to give the impression that the company is connected with the Government or a local authority.

The Company and Business Names (Miscellaneous Provisions) Regulations 2009

(<http://www.legislation.gov.uk/uksi/2009/1085/contents/made>) then set out further specific requirements and prohibitions on a company name, including the use of punctuation marks.

Part 5, Chapter 6 of the Companies Act 2006

(<http://www.legislation.gov.uk/ukpga/2006/46/contents>) concerns the trading disclosures, brought into force by the Companies (Trading Disclosures) Regulations 2008

(<http://www.legislation.gov.uk/uksi/2008/1897/contents/made>) (as amended) on 01 October 2008.

Subject to certain exceptions for companies where an administrator, liquidator or administrative receiver has been appointed and for companies where protected information about directors is prohibited, a company must display its registered name at its registered office and any inspection place and at any location where it carries on business (unless the location is primarily used for living accommodation).

A company must also state its name in legible lettering on the following business stationery, whether in hard copy, electronic or other form:

- all the company's business letters or order forms
- all its notices and other official publications
- all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by, or on behalf of, the company
- all its bills for parcels, invoices and other demands for payment, receipts and letters of credit
- applications for licenses to carry on a trade or activity
- all its websites

The company must also show in legible lettering, on all business letters, order forms and any of the company's websites:

- the place of registration
- the registered number
- the registered office address, and
- if it is being wound up, that fact

Whenever an email is used where its paper equivalent would be caught by the stationery requirements, the email would also be subject to the requirements. The same requirements are also applicable to limited liability partnerships. Where a company's business letter includes the name of a director of that company, other than in the text or as a signatory, the letter must disclose the name of every director of that company.

Part 41, Chapter 1 of the Companies Act 2006 (<http://www.legislation.gov.uk/ukpga/2006/46/contents>) then mirrors the provisions in relation to businesses in the United Kingdom. This is again enabled by a Transitional Provisions Order, which also repeals the Business Names Act 1985. There is also a new offence of carrying on a business under a name that gives so misleading an indication of the nature of the business's activities as to be likely to cause harm to the public.

Part 41, Chapter 2 sets out the disclosure requirements in the case of an individual or partnership. These reflect the former requirements of the Business Names Act.

A 'business name' means a name other than:

- in the case of an individual, his surname without any addition other than a permitted addition
- in the case of a partnership:
 - the surnames of all partners who are individuals, and
 - the corporate names of all partners who are bodies corporate, without any addition other than a permitted addition

The following are the permitted additions:

- in the case of an individual, his forename or initial
- in the case of a partnership:
 - the forenames of individual partners or the initials of those forenames, or
 - where two or more individual partners have the same surname, the addition of 's' at the end of that surname
- in either case, an addition merely indicating that the business is carried on in succession to a former owner of the business

The 'information required by this Chapter' is:

- in the case of an individual, his name
- in the case of a partnership, the name of each member of the partnership

and in relation to each person so named, an address in the United Kingdom at which service of any document relating in any way to the business will be effective.

Disclosure requirements:

A person to whom this Chapter applies must state the information required by this Chapter, in legible characters, on all:

- business letters
- written orders for goods or services to be supplied to the business
- invoices and receipts issued in the course of the business
- written demands for payment of debts arising in the course of the business

If the business has more than twenty partners, there is no requirement to put all the partners' names on business documents. However, the address of the principal place of business must be stated, and an indication that a full list of the partners' names and addresses can be inspected there.

A person to whom this Chapter applies must secure that the information required by this Chapter is immediately given, by written notice, to any person with whom anything is done or discussed in the course of the business and who asks for that information.

A person to whom this Chapter applies must, in any premises:

- where the business is carried on, and
- to which customers of the business or suppliers of goods or services to the business have access,

display in a prominent position, so that it may easily be read by such customers or suppliers, a notice containing the information required by this Chapter.

The Secretary of State may by regulations require that such notices be displayed in a specified form.

The final requirement of the Companies (Registrar, Languages and Trading Disclosures) Regulations 2006 (<http://www.legislation.gov.uk/uksi/2006/3429/contents/made>) and the Insolvency Act 1986 (<http://www.legislation.gov.uk/ukpga/1986/45/contents>) is that where a company is being wound up all the documentation and websites must state this fact.

Other requirements:

Also applicable to any business that trades through advertisements, or online, are the provisions of the Consumer Protection (Distance Selling) Regulations 2000 (<http://www.legislation.gov.uk/uksi/2000/2334/contents/made>) (as amended). These Regulations require a supplier to provide a prospective buyer with details about themselves. Before a consumer concludes an online transaction or responds to an advert etc., the supplier must provide details of the postal address of their business, so that a consumer may address complaints in a durable written format.

The Electronic Commerce (EC Directive) Regulations 2002 (<http://www.legislation.gov.uk/ukxi/2002/2013/contents/made>) require a business providing an information society service (which can be the marketing or selling of services to consumers and other businesses, online, by interactive T.V. or by phone texting) to provide the following information:

- the full name of the business
- the geographical address at which the business is established
- contact details, including an email address
- details of any publicly accessible trade or similar register on which the business is registered - this must include the name of the register, any registration number or other means of identification used in the register
- if the business is subjected to any authorization scheme, details of the relevant supervisory authority
- if the business is a member of a regulated profession, details of the professional body, any professional titles held, details of any other European Member States in which the titles may have been granted, and a reference to the professional rules to which the member is subjected and details of how they can be accessed

Where can I get further help?

This leaflet is not an authoritative document on the law and is only intended for guidance. For further details or clarification contact Derbyshire Trading Standards at:

Chatsworth Hall
Chesterfield Road
Matlock
Derbyshire
DE4 3FW

Telephone:		
Businesses	Call Derbyshire	08 456 058 058
Consumers	Citizens Advice consumer helpline	08454 040506

Fax: 01629 536197

Website: www.derbyshire.gov.uk/tradingstandards

We want everyone to be able to understand us. On request, we will arrange:

- Language interpreters, including for sign language
- Translation of written materials into other languages
- Materials in large print, on tape or in Braille.

© Trading Standards Institute

To ensure that you are looking at the most up-to-date version of this leaflet, please visit our website at

http://www.derbyshire.gov.uk/images/std01_tcm9-8363.pdf

or telephone us on 01629 536166.

