

PERSONAL BUSINESS

There's More to Naming a Company After Yourself Than Ego

By PAUL SULLIVAN

If on New Year's Eve you went to a party featuring Alex Donner's society band, you had only a one-in-four chance of seeing Mr. Donner sing out the old and croon in the new.

As chief executive of Alex Donner Entertainment, Mr. Donner had four orchestras emblazoned with his name playing that night: two at events in Manhattan, one in Palm Beach, Fla., and one in Paris. But Mr. Donner appeared only in Paris, at an event sponsored by a prominent hedge fund manager.

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"There are times people come up to me and say, 'Alex, you and the band were great two weeks ago,'" Mr. Donner said. "The truth is, I wasn't there."

One of the great challenges for entrepreneurs who name their companies after themselves is serving their customers while expanding their business. What they need to do to grow, and increase their wealth, often requires people to stand in for them. It's not easy when customers expect to see the person whose name is on the door.

"It's always very tempting to name a company after yourself," said Tim Calkins, clinical professor of marketing at Northwestern University's Kellogg School of Management. "It is simple. It is honest. And for a lot of entrepreneurs, when they're starting a new business, it's the place to start."

And it has worked. Think of Bloomberg, which serves as the name of not only the company founded by Michael R. Bloomberg, the former New York mayor, but also a philanthropic foundation and a highly profitable terminal that sits on thousands of trading desks around the world.

Or consider Donald J. Trump, who before he became president was the head of one of the country's best-known namesake brands. Nothing he owned, managed or marketed lacked the Trump name, from high-rises and golf courses to wine and water.

Mr. Donner said he had named his band after himself in the tradition of big-band leaders like Lester Lanin and Glenn Miller, whose orchestra still performs even though he died in 1944.



Alex Donner, above, is the chief executive of Alex Donner Entertainment.

What a name can give a company is a story, which David Aaker, vice chairman of Prophet, a branding firm, said companies needed to get their brand noticed.

With a namesake business, problems arise with success and failure. If the company is successful, selling it with your name on it can be difficult — and changing the name can create problems with how consumers identify with the brand.

"All the great things you've done to build your brand reside with you," said Kevin Lane Keller, the E. B. Osborn professor of marketing at Dartmouth's Tuck School of Business.

Regardless of the growth that entrepreneurs achieve with the namesake companies, they need to keep doing what got them there in the first place: Work. Mr. Donner plays about a third of the 150 balls, galas and soirees his orchestras are hired for each year. And he said he called every client to get feedback.

"If there is a small downside to the business, it's that I have to realize I'm constantly the face of this business and I have to make sure that I'm always appropriately dressed and handle myself in a professional manner," he said. "So I have a good time at a party but not too good of a time."