


## **THE HISTORY OF 'RE/MAX ALL CITIES REALTY' NAME**

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February 12, 2010

In 2002, RMP (at that time known as C.F. Real Estate Loans, Inc. with multiple DBA's) had grown beyond the Los Angeles metropolitan area from Torrance to Pacific Palisades, from the Pacific Ocean to Hollywood and then up into the mountains of Crestline and Lake Arrowhead. The problem was that no one knew that our DBA's: RE/MAX Beach Cities Realty, RE/MAX Westside Properties, RE/MAX Beverly Hills, RE/MAX Lake Arrowhead, RE/MAX Crestline, and RE/MAX Hollywood Hills were related to each other. Because RE/MAX advertised that each of its franchises were "independently owned and operated", clients did not understand that they were really getting the benefit of a very large operation and many of our RE/MAX agents did not even know what offices were associated with the company. Therefore, with the go-ahead of our former attorney, and the agreement of RE/MAX International (who must consent to the use of any name), we registered the additional DBA name 'RE/MAX All Cities Realty' with the County of Los Angeles and began using it as an "umbrella" name to cover all of the offices while each maintained their unique neighborhood DBA's. This allowed the company and agents the choice to brand itself/themselves beyond each physical location (Beach Cities, Westside, Beverly Hills, Hollywood, Crestline, and Lake Arrowhead) and become a powerhouse in Los Angeles County and the mountain resorts of San Bernardino County. The success of RE/MAX All Cities Realty (now RMP) under the umbrella name was not due to the name itself, but rather, to YOU, the experienced professional full time agent(s) - partnered with the big international brand of RE/MAX. You and your clients realized that having a large branded company (RE/MAX) with diversified marketplaces and the entire infrastructure, support and services that RE/MAX International and we, RMP, offered, was a good place for your business. 

As the old cliché goes, experience makes you wiser, and you don't know what you don't know. I now know that registering with the County of Los Angeles alone did not complete the process necessary for the use of a fictitious name or DBA. Instead, the proper standard of practice is that your legal counsel should run a name search and confirm that that name you are seeking to use is not being used by anyone else in a way that will conflict with your usage. Because I had my former attorney conduct the name approval and registration process, I trusted that it had been done correctly. Unfortunately, I was not aware that a name search had not been conducted. Neither former counsel nor RE/MAX International ever advised me verbally, or in writing, that C.F. Real Estate Loans, Inc. (RMP) or I needed to conduct this type of search as a condition to use the name.

To compound matters, when the Plaintiff in the three lawsuits sent cease and desist letters demanding that C.F. Real Estate Loans, Inc., (RMP) stop using the 'All Cities Realty' name, our former counsel and the former intellectual property attorneys (that former counsel sought advice from) continued to advise me and RMP that C.F. Real Estate Loans, Inc. (RMP) could continue to operate under the RE/MAX All Cities Realty name. I was told that RE/MAX was the trademark and whatever name came after that did

not matter. Our current counsel and I feel strongly that there is no consumer confusion, no financial damages to Plaintiff, and no benefits have been bestowed upon RMP due to the use of the 'All Cities Realty' name. Nevertheless, the bad advice that RMP received through former counsel and the former intellectual properties attorneys led to the filing of the three lawsuits and to today's results.

In 2007, after much discussion with and under the counsel of its current intellectual property attorneys, Cislo & Thomas, C.F. Real Estate Loans, Inc., (RMP) abandoned the name RE/MAX All Cities Realty and took on the new name of RE/MAX Marquee Partners, Inc.

For perspective, All Cities Realty, Inc., is owned by a man named Joseph Minor who operates a small office (2-3 licenses, varies) in a Class B or C strip mall in Costa Mesa, California off of the 55 freeway. His location is in another county (Orange County) and nowhere near the primary market places worked by RMP's agents.

Looking back now, eight years later, it is clear that RMP should have received counsel on what path to take with respect to its name. You may now be asking: how could RMP put you in a position that would create "such liability" for you; why did RMP give an indemnification to you that is now worth nothing. All I can say is that when the Agent Lawsuit was filed in 2006, RMP was a thriving profitable company in the midst of one of the biggest real estate booms this country had ever seen. We fully intended to live up to our obligation to indemnify and defend you. We were set and prepared to go to trial on 4 different dates over the last three years to defend these actions. We always expected to be vindicated and absolved of any damages. No one could have known or predicted the antics and delays and what would occur over the past three years in our market place, and with the economy. RMP was caught in a downward spiral under extraordinary circumstances that could not be reversed, no matter what measures we took.

I cannot express enough the sincere regret that I have for you to have been pulled into any of these lawsuits. On behalf of RMP I deeply apologize that the Plaintiff has felt it necessary to drag you and your well respected names through this process.

