



STATE OF KANSAS

Office of the Attorney General

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Curt T. Schneider
Attorney General

June 19, 1978

ATTORNEY GENERAL OPINION NO. 78-206

Mrs. Charlotte Olander
Executive Secretary
Kansas Board of Technical Professions
535 Kansas
Topeka, Kansas 66603

Re: Engineers - Professional Engineers' License Act -
Corporations and Companies

Synopsis: The legality of the use of the word "engineer" or
its derivations in corporate or company names is
determined by its effect on the lay public. Thus,
each situation must be examined individually in
light of the public interest embodied in K.S.A.
1977 Supp. 26a-102(c).

* * *

Dear Mrs. Olander:

You inquire regarding the use of the word "engineer," or any
derivative thereof, in corporate or company names. Attorney
General Opinion No. 77-274, dated August 22, 1977, and addressed
to you, dealt with the use of the term "engineering services"
in the name of a certain Kansas corporation. The opinion concluded
that such use violated K.S.A. 1976 Supp. 26a-102(c) because it
constituted a holding out by the corporation of itself as an
engineer; under Kansas law, only individuals can be licensed
professional engineers. In that situation it appeared that use
of the term "engineering services" would tend to mislead the
public because it fostered the misconception that the business

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was composed primarily of engineering personnel, when in fact it was established and managed by a layman who employed engineers to perform the technical work. It was my feeling that the average client would enter the company's office expecting to deal with an engineer when in all probability he would be dealing with a layman who would delegate some of the work to an engineer. Thus the use of the term "engineering services" in the corporate name resulted in the sort of "holding out" to the public that K.S.A. 1976 Supp. 26a-102(c) was intended to prevent.

Although the language of that opinion is general in nature, it should have been limited to the factual situation from which it arose. I can foresee the possibility of a corporation, for instance, being organized to provide engineering services, among other purposes, under articles of incorporation requiring that all consultation with clients on engineering matters be performed by licensed professional engineers. In that situation the customer walking into the office would invariably end up consulting with an engineer as to the work needed. Although the use of the term "engineering services" in this corporation's name would, strictly speaking, constitute the holding out of the corporation as an engineer there would be no danger of the public being misled, and no real cause for concern on the part of the Board of Technical Professions.

Professional corporations offer another example of harmless use of the term "engineer" or its derivations in company or firm name. The laws governing professional associations require that all shareholders of the firm be properly licensed to perform the professional service which the corporation is organized to provide, and all directors and officers, other than the corporate secretary, must be shareholders. Thus the company's clients will be dealing only with licensed professionals or employees working under their direct supervision. The interests of the public are adequately protected in this situation; use of the word "engineer" or its derivations in the corporate name would not mislead the public in any way.

From the foregoing discussion I am sure it is apparent that no hard and fast rule can be laid down regarding the use of "engineer" and its derivatives in corporation or firm names. Each situation must be examined to determine whether the basic purpose of K.S.A.

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1977 Supp. 26a-102(c) -- that is, protection of the lay public --
is being thwarted. Opinion No. 77-274 will be applicable in
some instances and not in others.

Very truly yours,



CURT T. SCHNEIDER
Attorney General

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