



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 23, 1987

CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1987-26

Kirk B. Cunningham, Counsel  
Principal Mutual Life Insurance Company  
Des Moines, Iowa 50309

Dear Mr. Cunningham:

This responds to your letter of September 8, 1987 requesting an advisory opinion on behalf of the Principal Mutual Life Insurance Company ("Principal Mutual") concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the name change and abbreviation of Principal Mutual's separate segregated fund.

Your request indicates that the separate segregated fund of the Principal Mutual Life Insurance Company is currently registered with the Commission under the name: Principal Mutual Life Insurance Company Federal Political Action Committee. Principal Mutual's latest annual report states that in keeping with industry trends the company recently adopted the service mark, "The Principal Financial Group," to emphasize the diversity of the company's services. You explain that Principal Mutual proposes to use the service mark, instead of its corporate name, to identify its separate segregated fund as "The Principal Financial Group Federal Political Action Committee." You further state that Principal Mutual would use the "full corporate name" in "all required disclosure statements." Principal Mutual also proposes to use the abbreviation, "Principal FEDPAC," on the checks and letterhead of its separate segregated fund.

Under the Act and regulations, the name of any separate segregated fund must include the full name of its connected organization. 2 U.S.C. 432(e)(5); 11 CFR 102.14(c). The regulations permit the use of a clearly recognized abbreviation or acronym provided that the separate segregated fund uses both the abbreviation (or acronym) and the full official name in its Statement of Organization, in all reports filed by the fund, and in all disclosure notices. 11 CFR 102.14(c); see 11 CFR 109.3, 110.11. Principal Mutual's separate segregated fund currently uses the connected organization's full name in its official name. The proposed name change to The Principal Financial Group Federal Political Action Committee does not contain the connected

organization's full name. Accordingly, the Commission concludes that Principal Mutual may not change the official name of its separate segregated fund in the manner proposed.

You also indicate that Principal Mutual proposes to use the abbreviation, "Principal FEDPAC," on the checks and letterhead of its separate segregated fund. The regulations permit a separate segregated fund to use a clearly recognized abbreviation for certain purposes provided that is how the connected organization is or intends to be identified. See 11 CFR 102.14(c); Explanation and Justification of the regulations at 45 Fed. Reg. 15085, (March 7, 1980); Advisory Opinion 1982-8. Additionally, an abbreviation must afford adequate notice to the public of the identity and sponsorship of the separate segregated fund. Advisory Opinions 1980-98, 1980-86, and 1980-23. To afford adequate notice to the public, an abbreviation must contain enough qualifying words to assure identification of the connected organization. See Advisory Opinion 1980-23. The Commission has also looked to other criteria to define the notice standard, such as the abbreviation used to identify the connected organization on a stock exchange or in a corporate directory like Standard and Poor's Register. Advisory Opinion 1980-86. Here, the abbreviation, Principal FEDPAC, does not convey adequate identification of the Principal Mutual Life Insurance Company. Moreover, the word "Principal" in this abbreviation is not how the connected organization is known or represented to the public. Therefore, the Commission concludes that the Principal Mutual Life Insurance Company may not use the abbreviation, Principal FEDPAC, to identify its separate segregated fund.

Principal Mutual, however, does use its service mark to identify itself to the public. In its 1986 Annual Report, Principal Mutual mentions several times that it adopted the service mark, The Principal Financial Group, to promote its new corporate identity. Appropriately, the name "The Principal Financial Group" appears on the Annual Report's cover. Principal Mutual also lists itself under its service mark in the Standard and Poor's Register. For these reasons, the Commission concludes that Principal Mutual may use the abbreviation, Principal Financial Group PEDPAC, to identify its separate segregated fund. Its official name, however, must retain the words "Principal Mutual Life Insurance Company" because that remains the corporate name. The separate segregated fund must use the official name, along with the abbreviated name, in all statements and reports filed with the Commission and in all disclosure notices required by the Act and regulations.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. 437f.

Sincerely,

(signed)

Scott E. Thomas  
Chairman for the Federal Election Commission

Enclosures (Advisory Opinions 1982-8, 1980-98, 1980-86, 1980-23 and 1980-10)