

# Food brokers & agents

This helps brokers understand their obligations under food law including the need to register as a food business.

## What a food broker does

A food broker is a business that purchases, 'takes title to' or has legal ownership of food for resale to other businesses such as:

- manufacturers
- retailers
- caterers
- other brokers

Often the difference between food brokers and other FBOs is that they take legal ownership of the food and not physical possession.

You are still classed as an FBO. This is because you are directly involved in managing food related activities such as supplying food to other businesses, even if you may never take physical possession of food. This includes foods that will go on to further processing by other manufacturers. Food brokers often operate as a middle entity in the food supply chain.

## How it differs from an agent

Food agents act as a representative of a FBO without any authority to trade in their own name and do not take legal or physical possession or custody of the food at any time or are responsible for taking decisions on or managing food related activities. They act as intermediaries, often facilitating transactions or negotiations.

Here is illustrative example of the difference between a food broker and a food agent:

**Food broker:** Xtra Supplies Ltd is a food broker that sources food from manufacturers and then supplies it to a national wholesaler chain. The food broker solely works from an office and the food is transported directly to the wholesaler from food manufacturers using the wholesaler's storage and distribution network. Because Xtra Supplies Ltd takes legal ownership of the food they are an FBO, even though they may never take physical ownership of the food.

**Food agent:** Alternatively, if Xtra Supplies Ltd only ever acts as an agent for the wholesaler, for example to facilitate negotiations between the FBOs, and the transactions are all carried out in the wholesaler's name, such that they never take ownership of the food themselves, then they are an agent and not an FBO.

Summary of differences

| Feature | Food Agent | Food Business Operator |
|---------|------------|------------------------|
|---------|------------|------------------------|

|                         |                         |                                      |
|-------------------------|-------------------------|--------------------------------------|
| Legal ownership of food | ? No                    | ? Yes                                |
| Physical possession     | ? No                    | ? Sometimes (not always)             |
| Legal responsibility    | ? No (on behalf of FBO) | ? Full responsibility                |
| Registration required   | ? Not required          | ? Must register with local authority |
| Subject to inspections  | ? No                    | ? Yes                                |

## Registering as a food business

As an FBO you have to register your business with your local authority 28 days before you intend to trade.

If you are already trading and have not registered you need to do so as soon as possible. Registering your business is free of charge.

[Register your food business](#)

## Good practice advice

Use only reputable and trusted suppliers. For new suppliers, you could visit their facilities to ensure they are clean and their products are produced to a high standard.

Consider implementing an industry recognised management system, such as:

- [BRC Global Standard for Agents and Brokers](#)
- [ISO 9000](#)
- [IFS Broker Certification](#)
- if product is handled, the [BRC Global Standard for Food Safety](#) or [BRC Global Standard for Storage and Distribution](#)
- [Safe and Local Supplier Approval for small businesses](#) (SALSA)
- [Food Industry Guide to Good Hygiene Practice: Wholesale Distributors](#)
- [Food Industry Guide to Good Hygiene Practice: Vending and Dispensing](#)

Consider becoming a member of a Trade Association. Trade associations help their members by offering specialist advice, particularly of a technical and legal nature.

Read about [Hazard Analysis and Critical Control Point](#) (HACCP) principles.

Ask your local authority for help and consider the [Primary Authority Scheme](#).