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FBA Grade and Resell

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FBA Grade and Resell allows you to recover value on unfulfillable inventory by having Amazon grade and relist eligible items as **Used**, instead of returning, removing or disposing the inventory.

When you submit an item, Amazon evaluates the condition and creates the listing on your behalf, with you as the seller on record. You set the price and manage the listing, just like you would for your current new and used items.

How it works

Overview: enrollment, grading, and listing

- You can enroll in FBA Grade and Resell from your Automated unfulfillable settings.
- Eligible customer returns that are unsellable as New are processed through different evaluation paths based on the type of product. These paths include non-technical, technical, and specialty grading. For products like computers or cameras, the advanced grading includes factory reset, memory wiping, and functionality testing. Note: All customer returns go through a standard evaluation process to determine if their products are sellable (as New) or unsellable (as New). FBA Grade and Resell is only for unfulfillable inventory already deemed unsellable as New.
- Unsellable (as New) items are graded and assigned one of four conditions: Used–Like New, Used–Very Good, Used–Good, and Used–Acceptable or graded as Unsellable.
- At the time of relisting, a processing fee is applied to items graded as Like New, Very Good, Good, and Acceptable. No processing fee will apply for items graded as Unsellable. These items will move to your unfulfillable inventory for removal.
- Once items are submitted to the program, grading and relisting can take up to two weeks. However, this process may take longer during holiday seasons.
- A SKU is generated for your used listing with a unique identifier, under the parent ASIN, based on graded condition and type of defect. The item is priced in line with your pricing rules in your Automated unfulfillable settings, which you configure when you enroll in the program and can update at any time.

Overview: inventory management, sales, and online customer experience

• Manage your used listings with existing processes. Manage pricing, advertising, and sales just like you do for your new items.

- Customers can access your **Used** listings from the following:
 - Search results, when they click to view all **New and Used offers** under **More buying choices**
 - The product detail page of the parent ASIN either through the **Used featured offer**, if your used listing is the Featured Offer, or by clicking to view all **New and Used offers**
- Used listings include the condition of the listing, such as Used–Like New. Condition notes within the listing indicate item and package defects or damage where applicable, including whether the item was repackaged.
 Note: You are the seller on record for all listings generated by the program and these listings are only eligible to be the Used featured offer. The listing doesn't affect the New featured offer for the parent ASIN. Listings that are sold by Amazon fulfillment centers are not part of FBA Grade and Resell and are sourced as part of the FBA inventory reimbursement policy.
- You receive payouts minus fees for your sold Grade and Resell units just as you would for your sold **New** and **Used** offers. You can view this information on your Payments dashboard.

By participating in this program, you agree to the FBA Grade and Resell terms and conditions.

Fees

The Grade and Resell fee is a flat per-unit processing fee based on the size and weight of the item. The processing fee is applied at the time of relisting. If your item is graded as **Unsellable**, no processing fee will be charged. You're eligible for fee adjustments if you were incorrectly charged a fee due to misclassification of the size or item weight.

Processing fee

| | Size | ltem weight | Fee | |
|--|------------------------|----------------|--------|--|
| Standard size items | Small standard-size | 16 oz or less | \$1.50 | |
| Standard-Size items | Large standard-size | 21 lb or less | \$1.80 | |
| Oversize and encoded handling items | Small/medium oversize | 151 lb or less | \$2.65 | |
| Oversize and special handling items | Large/special oversize | Over 151 lb | \$4.10 | |
| Example comparing recovery value for used items based on condition | | | | |

Product category: Home & Garden



New item price: \$30

Referral fee percentage: 15%

Item weight: 3.35 lb

| Кеу | Example | Like new | Very good | Good | Acceptable | Dispose | Ship-to address |
|--------------------|------------------------------|----------|-----------|---------|------------|---------|-----------------|
| Α | Discount percentage | 95% | 85% | 80% | 75% | | |
| В | Used-item price [*] | \$28.50 | \$25.50 | \$24.00 | \$22.50 | - | - |
| с | Processing fee | \$1.80 | \$1.80 | \$1.80 | \$1.80 | \$2.36 | \$2.36 |
| D | Fulfillment fee | \$6.75 | \$6.75 | \$6.75 | \$6.75 | - | - |
| E= (B x Fee %) | Referral fee | \$4.28 | \$3.83 | \$3.60 | \$3.38 | - | - |
| F= B-C-D-E | Net recovery value | \$15.67 | \$13.12 | \$11.85 | \$10.57 | -\$2.36 | -\$2.36 |
| F / new item price | Net recovery percentage | 52.23% | 43.73% | 39.50% | 35.23% | -7.87% | -7.87% |

https://sellercentral.amazon.com/help/hub/reference/GUA6RV6UA4DR2MFK

^{*} You determine the used-item price by configuring discount percentages when enrolling in the program. The initial list price for a used item is calculated from your pre-defined discount percentages multiplied by the new listing price. The discounts in this example are only for illustration and are not recommendations for discount percentages.

Tracking processing fees

Processing fees information can be found in the Payments dashboard in the following views and reports:

- 1. Statement view: Under FBA fees as part of Other transactions
- 2. **Transaction view**: The transaction type for processing fees will be shown as **Grade and Resell fees**. At this time, it's not possible to filter on this transaction type, but it will appear as part of the dashboard interface and when you download the report.
- 3. All statements: In the downloaded report, processing fees will be shown with a transaction type of **Grade and Resell fees** and a corresponding "Grade and Resell charge" note for the amount type.
- 4. Date range reports:
 - **Transaction report**: Under the **Others** transaction type with a corresponding "Grade and Resell Charge" note for description
 - Monthly summary report: Under Other transaction fees
 - Custom summary report: Under Other transaction fees

Note: "Other" transactions in the statement view and date range reports will include other fees not charged by the program.

When a Grade and Resell unit is being evaluated, inventory storage fees cease to accrue for that unit. For items graded as **Used**, the clock restarts on the aged-inventory surcharge and monthly storage fees after your item is listed. For items graded as **Unsellable**, standard Amazon storage fees will apply after the item is returned to your unfulfillable inventory.

Product eligibility

Eligibility for FBA Grade and Resell is restricted to customer-returned FBA inventory located in fulfillment centers that are enabled for this program. More centers will be enabled in the future.

Eligibility is also subject to legal, safety, regulatory, and other guidelines, and is restricted to customer-returned FBA inventory located in fulfillment centers that are enabled for this program. More centers will be enabled in the future. Ineligible products include the following:

- FBA prohibited products
- Expiration-dated FBA inventory
- Meltable FBA inventory
- Dangerous goods (hazmat)
- Categories and products that require approval
- Recalled products
- Counterfeit products
- Items under \$15
- Categories and products that cannot be sold in used condition
- Items that are not graded as Used-Like New, Used-Very Good, Used-Good, and Used-Acceptable
- Consumables
- Heavy and bulky items
- Products that have historically generated low feedback ratings

Submit and manage your inventory

Note: Effective March 21, 2022, Amazon no longer accepts manual removal orders for Grade and Resell.

Step 1: Submit your unfulfillable inventory

You can submit inventory automatically through **Automated unfulfillable settings**:

- From the **Settings** menu, select Fulfillment by Amazon.
- On the FBA settings page, scroll down to Automated unfulfillable settings.
- Click **Edit**.

Note: If you don't have the right permissions to view these settings, open the **Inventory** menu, select **FBA Inventory**, and click **Go back to manage FBA inventory**. Go to **Remove unfulfillable inventory** and then click **Auto removal settings**.

- On the Automated unfulfillable settings page, select **Enable**, and then **Grade and Resell**.
- To set the percentage discount based on the item's condition, select **Update your price**. You can update the price at any time, but note that the discount only applies when the listing is first created.
- For items that you don't want graded and resold, click Enter one or more ASINs to exclude.
 Note: At this time, you can only exclude a maximum of 2,000 ASINs. Click Update at the bottom of the page to save your changes.

Eligible customer-returned units that are not excluded by you and located in an enabled fulfillment center will then be automatically enrolled in the FBA Grade and Resell program. You can only submit units to Grade and Resell through the automated settings; new units cannot be added through restocking or manual removal orders. You will receive an error message if you create a shipment to replenish a Grade and Resell SKU.

Step 2: Amazon grades your inventory

After you submit your FBA Grade and Resell inventory, we'll grade your item and assign a condition. Here's how it works:

- A returns specialist completes a multi-point inspection process that is tailored to the product category and based on the evaluation path, such as non-technical, technical, and specialty grading.
- Depending on the product category and appropriate classification, grading may include the following:
 - Catalog product detail versus physical item match
 - Product parts and accessories check
 - Seven-side product or package damage or cosmetic blemish check
 - Examples of damage types include cut or torn, bent or crushed, holes, customer information, stains, layers of tape, and writing.
 - Product usability or functionality validation based on product category
 - Examples of validation steps include plugging in cables, powering on devices, and testing outputs, settings, or different modes for functionality.
 - External product cleaning or internal memory wiping
 - Product re-packaging option validation
- A proprietary algorithm determines the suitable condition: Used–Like New, Used–Very Good, Used–Good, and Used–Acceptable, based on our condition guidelines. Items that don't meet these guidelines are graded as Unsellable and remain in your unfulfillable inventory.
- If the item is graded as **Used**, we'll refurbish and repackage it for resale, as needed.

Note: Grading is the process Amazon uses to evaluate and determine the condition of an item for relisting. Amazon fulfillment center uses the same process to evaluate customer returns.

Step 3: Track the status of graded inventory

To track the status of units that you've submitted for Grade and Resell through removal orders, check your Removal order detail report:

- The **Requested qty** column shows the total number of items that you've submitted to the program.
- **Completed qty** shows units that have been graded.
- Units that are still being graded appear under **In process qty**.

For units that you've submitted through automated unfulfillable settings, track the status of graded items in the Grade and Resell report. The report lists evaluated inventory under the following columns: Order ID, LPN, ASIN, original and program FNSKU, program-generated MSKU, Used Condition, Unit status, and Reason.

Note: This report is a pre-sales report. The Order ID listed is the order ID of the customer return order before submission to Grade and Resell. For more information on how to track sales orders from Grade and Resell, go to Step 5. For more information on condition notes, which outline defects identified from the grading process, go to Step 4.

Step 4: Price and manage your listings

Once an item is graded as **Used**, a SKU is generated for your newly generated listing under the parent ASIN. In the Grade and Resell price settings in Automated unfulfillable settings, you can control the initial list price for all ASINs submitted to the program based on the item's used condition. The initial price is a percentage of the listed price of the new item. Once the listing is created, you can change the price at any time on Manage pricing.

All SKUs in Grade and Resell follow a standard naming format:

- [prefix]. [seller msku]-[defect identifier]-[suffix], where the prefix is always amzn.gr. Use this prefix to search for and track graded inventory.
- The suffix will be one of the following: **LN** for Like New, **VG** for Very Good, **GD** for Good, or **AC** for Acceptable. The defect identifier will be randomized characters.
- Total length of a generated SKU is 40 characters. We might truncate your seller MSKU if it exceeds 22 characters, or append additional randomized characters if your seller MSKU is less than 22 characters.

The listings appear in your Inventory reports. More than one SKU could be generated in the same condition for a given parent ASIN if the type of defect differs. If you are out-of-stock of a given SKU, we relist any new units in the same condition with the same defect under that SKU. If you manually delete a SKU because it is out-of-stock, we generate a new SKU as needed based on evaluation results, but the SKU may end up stranded as a result of the deletion.

Note: Similar to new inventory, Grade and Resell inventory may become **stranded**, that is, inventory in a fulfillment center not associated with an active offer and therefore not available for purchase. Stranded Grade and Resell inventory can be resolved by changing the listed price or removing the listing altogether. For an analysis of stranded units see the **Stranded inventory report**.

Customers are able to view these listings online with the listing **condition** and **condition notes** that are tailored to the SKU. You can manage customer queries and ratings as you do for your new and used items.

To view the **condition notes** that are associated with your listings and visible to customers, navigate to **Inventory** reports and follow the steps below:

- 1. On this page, select any of the following four **Report types** from the drop down: **Active listings report**, **Open listings report**, **Inactive listings Report**, or **All listings report**.
- 2. Click **Customize the columns for this report** to customize the attributes shown.

https://sellercentral.amazon.com/help/hub/reference/GUA6RV6UA4DR2MFK

- 3. On the **Custom inventory reports** page, add the following attributes: **seller-sku, item-note**, and **item-condition** if they are not already present. Click **Save**.
- 4. Return to the Inventory reports page and click **Request report**.
- 5. The column **item-note** in the downloaded report shows the associated condition notes.

Below are sample **condition notes** for different conditions that can vary based on the item and evaluation results.

| item- condition | Item condition | item-note |
|--------------------|-------------------|---|
| 1 | Like new | Item will come in original packaging. |
| 2 | Very good | Item will come in original packaging. Packaging will be damaged. |
| 3 | Good | Small cosmetic imperfection on bottom or back of item. Item will come in original packaging. Packaging will be damaged. |
| 4 | Acceptable | Large cosmetic imperfection on the corner of the item. Item will come repackaged. |

Note: Grade and Resell listings are only automatically priced once at the point of listing based on your pre-set pricing rules. Your existing Grade and Resell listing prices are not automatically updated when you change the price of the parent ASIN through pricing or promotions actions. As more than one SKU could be generated in the same condition for a given product, ensure that your used prices stay synchronized as you make changes to your new prices.

Example that compares initial list price for used items based on condition

| Condition | Discount percentage ¹ | New item price at time of relisting ² | Initial list price of used item ³ | SKU example |
|---------------------|-------------------------------------|---|---|---|
| Used–Like New | 95% | \$50 \$50 | \$47.50 | amzn.gr. [seller msku]-[defect identifier]- LN |
| Used–Very Good | 85% | | \$42.50 | amzn.gr. [seller msku]-[defect identifier]- VG |
| Used–Good | 80% | | \$40 | amzn.gr. [seller msku]-[defect identifier]- GD |
| Used– Acceptable | 75% | | \$37.50 | amzn.gr. [seller msku]-[defect identifier]- AC |

¹ You determine the discount percentage based on the new item price. The discounts in this example are only for illustration and are not recommendations for discount percentages.

² FBA Grade and Resell pricing is calculated based on your new item prices, which must comply with the Amazon store fair pricing policy.

³ Once you create used pricing tiers for a SKU, additional items of the same SKU submitted to FBA Grade and Resell automatically have the initial price applied.

Step 5: Track sales orders and payments

FBA Grade and Resell sales data is available in Fulfillment reports:

- 1. From the Reports tab, select Fulfillment.
- 2. From the left navigation, scroll down to the **Sales** section and download either the All orders report or the **Customer shipment sales** report. Sales and order IDs from the program can be identified using the **amzn.gr**

prefix.

Performance analytics are in the FBA Grade and Resell Analytics page and also available under the main menu:

- 1. Go to Menu and then Inventory > Analytics.
- 2. Use the high-level metrics to track program performance.

Payout information is in the Payments dashboard:

- 1. From the **Reports** tab, select **Payments.**
- 2. In Transaction view, **Transaction type: Grade and Resell fees** represents charges for graded and listed inventory. At this time, it's not possible to filter on this transaction type, but it will appear as part of the dashboard interface and when you download the report.
- 3. You can also select **Transaction type: order payment** for proceeds on all Amazon orders, including Grade and Resell orders.
- 4. Click **Download** to generate a report.

All statement reports include more granular details at the SKU level. You can identify Grade and Resell SKUs with the **amzn.gr** prefix.

Note: Only the **Order IDs** associated with the **Transaction type: order payment** are order IDs from program sales. The order IDs associated with **Transaction type: Grade and Resell fees** mirror those in the **Grade and Resell report** for graded inventory and represent the order IDs of the customer return orders before submission into Grade and Resell.

There are currently no dedicated sales and inventory reports for Grade and Resell. However, we plan to provide improved and dedicated sales and inventory reporting for the program in the future.

Step 6: After-sales: customer reviews and returns

FBA Grade and Resell customer product reviews roll up to the parent product if they meet the review guidelines, just as they would for other products that you list, but do not have the same impact on **Account Health Metrics** as new SKUs.

Customer product reviews or return comments that mention product quality or defects will be excluded from Account Health ratings. Additionally, you can also exclude any low-volume ASIN or ASINs you are concerned about in the ASIN exclusion box on the Automated unfulfillable settings page.

Note: The feedback percentage based upon your **star ratings** is calculated in the same manner as new products. For more information, learn about how feedback and star ratings work.

Review select customer feedback on Grade and Resell SKUs, which can be identified with the **amzn.gr** prefix, on the Voice of the customer page. Additionally, seller feedback ratings received on all orders, including orders with Grade and Resell units, are found on Feedback manager at the **Order ID** level. For more information on feedback moderation, go to Can Amazon remove buyer feedback? You can appeal product review violations by using the **Report abuse** link on the Amazon site near the content you want to appeal or by emailing community-help@amazon.com if there is no link.

Below are 10 sample product reviews with anecdotes from customers who bought Grade and Resell units and gave a rating of 4+:

| Item category / Subcategory | Item condition | Rating | Customer comment |
|---|-------------------|--------|---|
| Beddings / Decorative Pillows, Inserts & Covers | Like New | 5 | "It's exactly as indicated in description, very durable, have a good feel to them, also very versatile I only would like if they came in bigger sizes." |
| Optics / Telescopes & Microscopes | Like New | 5 | "I was surprised how much scope you get for the price. Would buy it again." |
| Powersports & Marine/ Apparel/Protective Gear | Very Good | 4 | "It's a great looking jacket." |
| Appliance Parts & Accessories / Refrigeration | Very Good | 5 | "These filters never disappoint. Received quickly." |
| Portable Media Players / Media Speaker Systems | Good | 5 | "Easy operation and quality craftsmanship, luv it!" |
| Bar, Beverage & Storage / Food Storage & Organization | Good | 5 | "These 3 are great for fruit and vegetable storage. Keeps them fresh longer, if you see them then it reminds you of what you have to use! They seem very well made and should last well." |
| Tabletop / Cups & Mugs | Good | 4 | "Painted details are textual and cup is nice to hold. Makes my at home latte extra indulgent!" |
| Blending and Juicing / Countertop Blenders | Acceptable | 5 | "I ordered these after my dog chewed (big dogs ugh) the only cup that came with the blender! I was worried because at first they didn't look compatible because of the different style tops but they were absolutely perfect!" |
| Gardening / Watering | Acceptable | 5 | "It's a nice quality hose. Works great in my utility sink. I'm happy with it." |
| Memory / USB Drives | Acceptable | 4 | "I'm not tech savvy but found it easy to use" |

The returns policy is the same for FBA Grade and Resell as it is for listings you manage. Any initiated customer returns appear on FBA customer returns as they do for other offers listed by you. If a Grade and Resell unit is returned and is eligible for re-enrollment based on your settings, the unit is automatically submitted for re-grading. Otherwise it is returned to your unfulfillable inventory. Manage your unfulfillable inventory as you normally would.

Note: In the event that a returned Grade and Resell unit is found to be defective, Amazon will refund the applicable processing fee as a courtesy waiver hence assumes the processing cost on your behalf.

Frequently asked questions

Can non-US sellers participate in FBA Grade and Resell?

Yes, FBA Grade and Resell is open to both US and non-US sellers who are selling in the US.

How much recovery value can I earn through the program?

FBA Grade and Resell allows you to relist eligible, unfulfillable inventory on Amazon. Since you manage the used listing and control the price, you control the recovery value. To ensure a net positive transaction after fees are applied, we recommend that you enroll inventory with an average selling price above \$15.

What if my submitted item is graded as Unsellable?

If your item is graded as **Unsellable**, it remains in your unfulfillable inventory and FBA Grade and Resell fees do not apply. The unsellable item appears under the parent ASIN with a new FNSKU that begins with **amzn.gr** and ends with the suffix **PO**. Manage your unfulfillable inventory as you normally would.

How long do used items take to sell and how should I manage these items?

Used items typically take longer to sell than new items. Use marketing and pricing levers to manage your listing as you normally would to decrease the time to sell. To recover value on excess items, consider submitting fulfillable inventory to Amazon Outlet. You can also liquidate items through FBA liquidations, place a removal order, or automate removal actions in your Automated fulfillable inventory settings.

I've submitted ASINs for exclusion. How long does it take for the updates to take effect?

Submissions for products to be excluded from Grade and Resell will take effect immediately unless there is grading in progress, in which case ASIN exclusion from Grade and Resell can take up to two days.

What is stranded inventory?

Stranded inventory refers to the items in a fulfillment center not associated with an active offer and therefore not available for purchase. Resolve stranded Grade and Resell inventory by changing the listed price or removing the listing altogether.

How does Grade and Resell differ from Amazon Resale?

Although both programs use the same grading process, the source of the inventory differs. Items offered through Grade and Resell are sourced from participating FBA Sellers' eligible customer returns, while Amazon Resale listings originate via the FBA reimbursement policy.

My item has internal memory. Will the memory be wiped?

We follow its standard operating procedures to carefully handle items with internal memory but do not guarantee removal of data. Before customers return items on which they have saved personal information, they should clear the memory device. This is specified in Amazon's customer returns policy for items such as laptops, cameras, or other electronic devices.

How can I unenroll from Grade and Resell?

You can unenroll from the program by selecting Automated unfillable settings, then deselecting "Grade and Resell". Sellers who opt out are able to re-enroll at any time.