To Grade or Not to Grade?

- ➢ **Deciding to grade a card depends on the raw card value, grading cost, probability of a perfect grade, and the expected value based on a perfect grade using a multiplier.**

- ➢ **For example, PSA states a historical gem rate of 43%. Therefore, if you expect the graded card to be twice the value of a raw card, then the minimum value of the raw card should be $46.51 – otherwise do not grade and sell raw.**

- ➢ **The decision to grade or not to grade can be evaluated on a probability matrix.**

$$\text{Raw Card Value Required To Grade} = \frac{\text{Grading Cost}}{\text{Probability of Perfect Grade} \times (\text{Multiplier} - 1)}$$

Probability ↓ / Multiplier →	1.5	2	3	4	5
0.10	$400.00	$200.00	$100.00	$66.67	$50.00
0.20	$200.00	$100.00	$50.00	$33.33	$25.00
0.30	$133.33	$66.67	$33.33	$22.22	$16.67
0.40	$100.00	$50.00	$25.00	$16.67	$12.50
0.50	$80.00	$40.00	$20.00	$13.33	$10.00
0.43	$93.02	$46.51	$23.26	$15.50	$11.63

Source: ChatGPT, Longhorn Cards and Collectibles, as of 08/30/25