



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

Mail Stop 3561

January 21, 2010

Mr. Timothy L. Krist
Chief Financial Officer
Charles & Colvard, Ltd.
300 Perimeter Park Drive, Suite A
Morrisville, North Carolina 27560

Re: Charles & Colvard, Ltd.
Item 4.01 Form 8-K
Filed January 7, 2010
File No. 0-23329

Dear Mr. Krist:

We have completed our review of your Form 8-K and have no further comments at this time.

Sincerely,

William H. Thompson
Accounting Branch Chief