

Mail Stop 3561

January 31, 2006

Mr. Robert S. Thomas
President & Chief Executive Officer
Charles & Colvard, Ltd.
300 Perimeter Park Drive, Suite A
Morrisville, NC 27560

RE: Charles & Colvard, Ltd.
Form 10-K for Fiscal Year Ended December 31, 2004
Forms 10-Q for Fiscal Quarters Ended March 31, 2005, June 30, 2005
and September 30, 2005
Filed March 21, 2005, May 13, 2005, August 11, 2005 and November
9,
2005

File No. 0-23329

Dear Mr. Thomas:

We have completed our review of your Form 10-K and related
filings and have no further comments at this time.

Sincerely,

George F. Ohsiek, Jr.
Branch Chief

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March 22, 2005
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