SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
[x] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the quarterly period ended June 30, 2000
[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the transition period from _______________to ___________________

Commission File Number: 000-23329

Charles & Colvard, Ltd. (formerly C3, Inc.)

(Exact name of Registrant as specified in its charter)

North Carolina	56-1928817
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3800 Gateway Boulevard, Suite 311, Morrisville, N.C. 27560

(Address of principal executive offices)

919-468-0399

(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

As of August 10, 2000 there were 7,200,979 shares of the Registrant's Common Stock, no par value per share, outstanding.

Charles & Colvard, Ltd.
(formerly C3, Inc.)
Index

Part I. Financial Information

Item 1. Financial Statements

Charles & Colvard, Ltd.
(formerly C3, Inc.)
Condensed Statements Of Operations
(Unaudited)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
Net sales	$ 3,647,621	$ 3,533,612	$ 6,658,871	$ 6,763,076
Cost of goods	1,656,431	1,631,677	3,033,179	3,727,255
Gross profit	1,991,190	1,901,935	3,625,692	3,035,821
Operating expenses:				
Marketing and sales	1,559,753	1,172,334	4,015,930	1,775,638
General and administrative	1,126,993	641,876	2,116,322	1,440,810
Research and development	416,159	789,694	855,791	1,592,750
Other	252,577	--	253,201	--
Total operating expenses	3,355,482	2,603,904	7,241,244	4,809,198
Operating loss	(1,364,292)	(701,969)	(3,615,552)	(1,773,377)
Interest income, net	113,782	321,364	254,880	686,341
Net loss	$ (1,250,510)	$ (380,605)	$ (3,360,672)	$ (1,087,036)
Basic and diluted net loss per share	$ (0.17)	$ (0.05)	$ (0.47)	$ (0.16)
Weighted-average common shares, basic and diluted	7,157,671	7,011,284	7,133,487	7,004,543

See Notes to Condensed Financial Statements.

Charles & Colvard, Ltd
(formerly C3, Inc.)
Condensed Balance Sheets

	June 30, 2000	December 31, 1999
	(Unaudited)	
Assets		
Current Assets:		
Cash and equivalents	$ 5,573,159	$ 13,161,665
Receivables:		
Trade	1,439,397	1,331,528
Cree, Inc.	3,878,239	--
Interest	25,324	74,999
Inventories	19,836,102	14,767,888
Prepaid expenses and other assets	400,127	659,821
Total current assets	31,152,348	29,995,901
Equipment, net	745,576	6,292,221
Patent and license rights, net	365,872	492,780
Total assets	$ 32,263,796	$ 36,780,902
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable:		
Cree, Inc.	$ 817,114	$ 2,305,218
Other	423,501	627,704
Accrued expenses	463,770	235,107
Deferred revenue	32,910	118,730
Total current liabilities	1,737,295	3,286,759
Commitments		
Shareholders' Equity:		
Common stock	49,213,709	48,757,702
Additional paid-in capital - stock options		
Additional paid-in capital - stock options	1,888,588	1,951,566
Accumulated deficit	(20,575,796)	(17,215,125)
Total shareholders' equity	30,526,501	33,494,143
	$ 32,263,796	$ 36,780,902

See Notes to Condensed Financial Statements

Charles & Colvard, Ltd.
(formerly C3, Inc.)
Condensed Statements Of Cash Flows
(Unaudited)

	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
Operating Activities:		
Net loss	$ (3,360,672)	$ (1,087,036)
Adjustments:		
Depreciation and amortization	462,005	262,013
Stock option compensation	111,211	151,831
Loss on disposal of long-term assets	266,963	--
Change in provision for uncollectible accounts	260,000	(32,000)
Changes in operating assets and liabilities:		
Net change in assets	(3,307,839)	(3,561,665)
Net change in liabilities	(2,246,578)	209,650
Net cash used in operating activities	(7,814,910)	(4,057,207)
Investing Activities:		
Purchase of equipment	(14,971)	(114,875)
Patent and license rights costs	(40,444)	(51,482)
Net cash used in investing activities	(55,415)	(166,357)
Financing Activities:		
Stock options exercised	281,819	61,195
Net cash provided by financing activities	281,819	61,195
Net change in cash and equivalents	(7,588,506)	(4,162,369)
Cash and equivalents, beginning of period	13,161,665	32,004,045
Cash and equivalents, end of period	$ 5,573,159	$27,841,676

Supplemental non-cash investing activity:
In May 2000, the Company sold its crystal growth equipment to Cree, Inc. (Cree) for $5,000,000. The $5 million receivable from this transaction will be reduced by future purchases from Cree, with any remaining balance due in full by June 30, 2001.

Supplemental non-cash operating activity:
During the six months ended June 30, 2000, there was $1,726,718 of inventory purchases financed by the receivable from Cree.

See Notes to Condensed Financial Statements.

Charles & Colvard, Ltd.
(formerly C3, Inc.)
Notes To Condensed Financial Statements
(Unaudited)

1. Basis Of Presentation

The accompanying unaudited financial statements have been prepared in conformity with accounting principals generally accepted in the United States of America for interim financial information. However, certain information or footnote disclosures normally included in complete financial statements prepared in accordance with accounting principals generally accepted in the United States of America have been condensed, or omitted, pursuant to the rules and regulations of the Securities and Exchange Commission. In the opinion of management, the financial statements include all normal recurring adjustments which are necessary for the fair presentation of the results of the interim periods presented. Interim results are not necessarily indicative of results for the year. Certain reclassifications have been made to prior year's financial statements to conform to the classifications used in fiscal 2000. These financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 1999, as set forth in the Company's Form 10-K, filed with the Securities and Exchange Commission on March 27, 2000.

In preparing financial statements that conform with accounting principals generally accepted in the United States of America, management must make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and amounts of revenues and expenses reflected during the reporting period. Actual results could differ from those estimates.

The ability of the Company to successfully develop, manufacture, and market its products is dependent on many factors, including obtaining funds necessary to sustain operations. The Company does not currently have committed capital resources to fund its desired level of expenditures on its planned timetable. To continue pursuing its planned strategy, the Company believes that it will be required to seek additional capital resources during 2000. Management has initiated actions to ensure that the necessary funds will be available on a timely basis. During the first quarter of 2000, the Company implemented a new domestic distribution strategy that, together with a continuation of its global branding strategy which commenced in the fourth quarter of 1999, is designed to substantially increase the sales volume of Charles & Colvard created moissanite and to allow the Company to slow the growth of inventories. Also, the Company has sold its crystal growth equipment to Cree for $5 million. In addition, the Company has engaged an investment banking firm to assist the Company in its capital raising efforts. If the Company is not able to secure capital resources on terms acceptable to the Company, it will be necessary for the Company to conserve cash by decreasing advertising expenditures, deferring or decreasing other operating expenditures and attempting to renegotiate its agreements with Cree. There can be no assurance that the Company will be able to secure the required capital resources to execute its new domestic distribution strategy or that its new domestic distribution strategy will be successful.

2. Inventories

Inventories are stated at the lower of cost or market determined on a first in, first out basis. Test instruments are shown net of a reserve for excess inventory of approximately $377,000 and $242,000 at June 30, 2000 and December 31, 1999, respectively.

	June 30, 2000	December 31, 1999
Moissanite		
Raw materials	$ 2,539	$ 371,843
Work-in-process	3,833,633	5,779,326
Finished goods	15,738,930	8,127,119
	19,575,102	14,278,288
Test Instruments	261,000	489,600
Total Inventory	$ 19,836,102	$ 14,767,888

3. Stock Based Compensation

During the quarter and six months ended June 30, 2000, in accordance with Accounting Principles Board Opinion No. 25, the Company recorded compensation expense of $58,545 and $111,211, respectively, relating to stock options. Compensation expense related to stock options for the quarter and six months ended June 30, 1999 was $83,374 and $151,831, respectively. This compensation expense is recorded in general and administrative expense in the statements of operations.

4. Newly Issued Accounting Pronouncements

In June 1998, Statement of Financial Accounting Standards No. 133 ("FAS 133"), Accounting for Derivative Instruments and Hedging Activities, was issued. This statement establishes standards for valuing and reporting at fair value all derivative instruments as either assets or liabilities. FAS 133, as amended by FAS 137, is effective for all fiscal quarters of all fiscal years beginning after June 15, 2000. The Company does not expect adoption of this Standard to have a material impact on its financial statements.

On December 3, 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin (SAB) No. 101, Revenue Recognition in Financial Statements. SAB No. 101 provides guidance on the recognition, presentation and disclosures of revenue in financial statements filed with the Commission and is required to be implemented no later than the fourth quarter of fiscal 2000. Management believes the adoption of SAB No. 101 will not have a material effect on its financial statements.

Item 2. Management's Discussion And Analysis Of Financial Condition And Results of Operations

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent the Company's judgment on future events. Because the Company is in the early stages of the establishment, by Cree, Inc. ("Cree"), the Company's key supplier, of manufacturing processes and of building the Company's own distribution channels and has not yet engaged in significant revenue-producing activities, the Company is subject to risks and uncertainties that could cause the Company's actual performance and results to differ materially from those projected or discussed herein. These and other risks and uncertainties are described under the heading "Business Risks" in the Company's Form 10-K for the year ended December 31, 1999, which was filed with the Securities and Exchange Commission on March 27, 2000. These risks and uncertainties could cause actual results and developments to be materially different from those expressed or implied by any of the forward-looking statements included herein.

Overview

The Company manufactures, markets and distributes Charles & Colvard created moissanite jewels (hereinafter referred to as moissanite or moissanite jewels) for sale in the worldwide jewelry market. Moissanite, also known by its chemical name, silicon carbide (SiC), is a rare, naturally occurring mineral found primarily in meteorites. As the sole manufacturer of scientifically-made moissanite jewels, the Company is creating a unique brand image which positions moissanite as a jewel in its own right, distinct from all other jewels based on its fire, brilliance, luster, durability and rarity.

From its inception in June 1995 through June 30, 1998, the Company was a development stage enterprise that devoted its resources to fund research and development of colorless, scientifically made moissanite jewels. At the same time, the Company assembled a management team, conducted market research and developed its strategic business plans. The Company began shipping moissanite to authorized retail jewelers in Atlanta and Miami/Ft. Lauderdale during the second quarter of 1998. At that time it launched limited consumer-focused advertising and promotion activities in those areas. In addition, the Company entered into exclusive distribution agreements with a number of international distributors.

Through the first half of 1999, the Company limited its efforts to expand the distribution of moissanite jewels as a result of limited product availability and the lack of confidence the Company had regarding the quality of the SiC crystals it was receiving. Late in the second quarter, the Company began to receive indications that the quality of the SiC crystals it was receiving was improving rapidly. The rate of improvement in the quality of the SiC crystals continued to accelerate through the end of 1999, far exceeding the Company's expectations. At the same time, the Company experienced a decline in shipments of moissanite jewels during the third quarter as a result of a slower than expected rate of adding retailers domestically, lack of targeted retailer-driven marketing programs abroad, and poor overall jewelry market performance in certain international markets. The improved supply of SiC crystals along with the decrease in sales led to a significant increase in inventories of moissanite jewels. In December 1999, the Company and Cree agreed to reschedule approximately 50% of the expected shipments of SiC crystals from Cree to the second half of 2000 from the first half of 2000.

With the improvements in the supply of salable moissanite jewels, the Company launched its strategic global marketing program in the fourth quarter of 1999 to spur consumer awareness of this new category of jewel. In addition, in March 2000, the Company entered into distribution agreements with Stuller Settings, Inc. ("Stuller") and Rio Grande, two of the largest suppliers of jewelry-related products to the jewelry industry, for the North American distribution of moissanite. The Company has also sought and has entered into several agreements with domestic jewelry manufacturers. The Company's decision to enter into agreements with Stuller, Rio Grande and jewelry manufacturers is intended to rapidly increase the introduction of moissanite into the domestic jewelry market.

As discussed below, the shift in the Company's domestic distribution strategy may affect the Company's historical relationships between revenues and expenses as well as the Company's liquidity and capital requirements.

Results Of Operations

Three Months ended June 30, 2000 compared with Three Months ended June 30, 1999.
- --

Net sales were $3,647,621 for the three months ended June 30, 2000 compared to $3,533,612 for the three months ended June 30, 1999, an increase of $114,009 or 3.2%. Increased shipments of moissanite jewels were offset by a reduction in the average selling price of moissanite jewels as the Company began to experience the effects of the volume purchase discounts offered to the Company's new domestic distribution partners, Rio Grande and Stuller, and the Company's jewelry manufacturing partners. Shipments of moissanite jewels increased in the three months ended June 30, 2000 to approximately 19,000 carats from 16,000 carats in the three months ended June 30, 1999. The Company's new partners began their distribution efforts of moissanite during the second quarter. Their respective customer bases are beginning to be introduced to Charles & Colvard created moissanite and the Company expects carat shipments to these partners to increase significantly over time. At the same time, the Company expects average selling prices to drop as sales to the domestic distributors become a larger percentage of total sales.

The Company's gross profit margin was 55% for the three months ended June 30, 2000 compared to 54% for the three months ended June 30, 1999. Despite the discounts offered to the Company's high volume purchasers, margins remained constant due to improved yield of moissanite jewels from SiC crystals and a greater percentage of larger carat sizes sold. Gross margins are expected to vary over the next few quarters as the yield of salable jewels from each crystal fluctuates and as the Company's average selling price per carat decrease due to the volume discounts afforded to the Company's large distributors.

Marketing and sales expenses were $1,559,753 for the three months ended June 30, 2000 compared to $1,172,334 for the three months ended June 30, 1999, an increase of $387,419 or 33.0%. The increase was due primarily to the restructuring of staff and customer relationships consistent with the new business model (primarily severance costs), as well as the continued execution of the strategic global marketing program launched in the fourth quarter of 1999. The company anticipates an increased level of advertising in the second half of 2000, primarily in the fourth quarter.

General and administrative expenses were $1,126,993 for the three months ended June 30, 2000 compared to $641,876 for the three months ended June 30, 1999, an increase of 485,117 or 75.6%. The increase resulted primarily from an increase in the Company's allowance for uncollectible accounts, costs associated with the restructuring of staff consistent with the new business model (primarily severance costs), as well as increased rent on the Company's expanded facility and increased insurance and taxes on the Company's increased fixed assets.

Research and development expenses were $416,159 for the three months ended June 30, 2000 compared to $789,694 for the three months ended June 30, 1999, a decrease of $373,535 or 47.3%. The decrease resulted primarily from cost savings related to the reduction of development efforts effective September 1, 1999, from a funding level of $240,000 per month to $120,000 per month.

Other expenses for the three months ended June 30, 2000 amounted to $252,577, which resulted from the loss on the sale of crystal growth equipment to Cree and the disposition of certain other assets.

Net interest income was $113,782 for the three months ended June 30, 2000 compared to $321,364 for the three months ended June 30, 1999, a decrease of $207,582 or 64.6%. This decrease resulted from lower interest income earned on lower cash balances, due primarily to the use of the invested proceeds from the Company's initial public offering in November 1997.

Six Months ended June 30, 2000 compared with Six Months ended June 30, 1999.
- --

Net sales were $6,658,871 for the six months ended June 30, 2000 compared to $6,763,076 for the six months ended June 30, 1999, a decrease of $104,205 or 1.5%. Increased shipments of moissanite jewels were offset by a reduction in the average selling price of moissanite jewels as the Company began to experience the effects of the volume purchase discounts offered to the Company's new domestic distribution partners, Rio Grande and Stuller, and the Company's jewelry manufacturing partners. Shipments of moissanite jewels increased in the six months ended June 30, 2000 to approximately 35,000 carats from approximately 30,000 carats in the six months ended June 30, 1999.

The Company's new partners began their distribution efforts of moissanite during the second quarter. Their respective customer bases are beginning to be introduced to Charles & Colvard created moissanite and the Company expects carat shipments to these partners to increase significantly over time. At the same time, the Company expects average selling prices to drop as sales to the domestic distributors become a larger percentage of total sales.

The Company's gross profit margin was 54% for the six months ended June 30, 2000 compared to 45% for the six months ended June 30, 1999. The increased gross margin rate relates to significantly improved yield of moissanite jewels from SiC crystals and a higher percentage of sales of higher margin larger size jewels, which effects were partially offset by a reduction in the per carat average selling price of moissanite jewels in 2000. Gross margins are expected to vary over the next few quarters as the yield of salable jewels from each crystal fluctuates and as the Company's average selling price per carat decrease due to the volume discounts afforded to the Company's large distributors.

Marketing and sales expenses were $4,015,930 for the six months ended June 30, 2000 compared to $1,775,638 for the six months ended June 30, 1999, an increase of $2,240,292 or 126.2%. The increase was due primarily to the continued execution of the strategic global marketing program launched in the fourth quarter of 1999. The company anticipates an increased level of advertising in the second half of 2000, primarily in the fourth quarter.

General and administrative expenses were $2,116,322 for the six months ended June 30, 2000 compared to $1,440,810 for the six months ended June 30, 1999, an increase of $675,512 or 46.9%. The increase resulted primarily from an increase in the Company's allowance for uncollectible accounts, costs associated with increased rent on the Company's expanded facility, increased insurance and taxes on the Company's increased fixed assets, and restructuring of staff and customer's relationship consistent with the new business model (primarily severance costs).

Research and development expenses were $855,791 for the six months ended June 30, 2000 compared to $1,592,750 for the six months ended June 30, 1999, a decrease of $736,959 or 46.3%. The decrease resulted primarily from cost savings related to the reduction of development efforts effective September 1, 1999, from a funding level of $240,000 per month to $120,000 per month.

Other expenses for the six months ended June 30, 2000 amounted to $253,201, which resulted from the loss on the sale of crystal growth equipment to Cree and the disposition of certain other assets.

Net interest income was $254,880 for the six months ended June 30, 2000 compared to $686,341 for the six months ended June 30, 1999, a decrease of $431,461 or 62.9%. This decrease resulted from lower interest income earned on lower cash balances, due primarily to the use of the invested proceeds from the Company's initial public offering in November 1997.

Liquidity And Capital Resources

The Company has financed its operations since inception primarily through the net proceeds of its initial public offering of common stock in November 1997 and, prior to such offering, through private equity sales. Net proceeds from the Company's initial public offering were $41,072,982. During the second quarter of 2000, the Company used $2,033,827 to fund operations and $27,519 to fund capital expenditures and patent expenses. At June 30, 2000, the Company had $5,573,159 of cash and cash equivalents and $29,415,053 of working capital.

In May 2000, the Company agreed to sell its crystal growth equipment to Cree, Inc. for $5 million. This transaction resulted in a loss on disposal of fixed assets of approximately $177,000 in the second quarter of 2000. The $5 million receivable from Cree will be reduced by future purchases from Cree, with any remaining balance due in full by June 30, 2001. At June 30, 2000, the amount receivable from Cree as a result of this transaction was $3,878,239.

The 4-year Development Agreement, as amended, between the Company and Cree requires the Company to fund a development program at Cree for $1.44 million annually through June 30, 2002. Either party may terminate the agreement if Cree does not meet the annual performance milestone or if the Company and Cree do not mutually agree on the performance milestones for the ensuing year.

The Company's new domestic distribution strategy, together with a continuation of its global branding strategy which commenced in the fourth quarter of 1999, is designed to substantially increase the sales volume of Charles & Colvard created moissanite and to allow the Company to slow the growth of inventories. The Company does not currently have committed capital resources to fund its desired level of expenditures. To continue pursuing this strategy, the Company believes that it will be required to seek additional capital resources during 2000. Therefore, the Company has engaged Scott & Stringfellow, Inc., a Virginia-based investment banking firm, to assist the Company in its capital raising activities. If the Company is not able to secure capital, it will be necessary for the Company to conserve cash by decreasing advertising expenditures, deferring or decreasing other operating expenditures and attempting to renegotiate its agreements with Cree. There can be no assurance that the Company will be able to secure the required financing to execute its new domestic distribution strategy, or, if available, that it will be available on terms acceptable to the Company. Additionally, there can be no assurance that if the Company does secure the desired capital resources that its new domestic distribution strategy will be successful.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company believes that its exposure to market risk for changes in interest rates is not significant because the Company's investments are limited to highly liquid instruments with maturities of three months or less. At June 30, 2000 the Company had approximately $5.2 million of short-term investments classified as cash and equivalents. All of the Company's transactions with international customers and suppliers are denominated in US dollars.

Part II - Other Information

Item 4. Submission Of Matters To A Vote Of Security Holders

The Annual Meeting of Shareholders of Charles & Colvard (formerly C3, Inc.) was held on May 15, 2000. At the meeting, the shareholders voted on the election of directors, to amend the Articles of Incorporation to change the Company name and the ratification of the selection of independent auditors. The following two nominees were each elected to the Board for a one-year term: Cecil D. Raynor and Ollin B. Sykes. Also, the Articles of Incorporation were amended to change the name of the Company from C3, Inc. to Charles & Colvard, Ltd. Additionally, the appointment of Deloitte & Touche LLP as independent auditors for the Company for the fiscal year ending December 31, 2000 was ratified. The number of votes cast for, against or withheld, as well as the number of abstentions, for each proposal are as follows:

A. Election of Directors

Director Nominee	Votes For	Votes Withheld
Cecil D. Raynor	5,704,880	88,634
Ollin B. Sykes	5,699,851	93,634

B. Amend Articles of Incorporation to change the Company name from C3, Inc. to Charles & Colvard, Ltd.

	Votes For	Votes Against	Abstentions
Amend Articles of Incorporation To change Company name	5,671,936	84,611	37,237

C. Ratification of Appointment of Deloitte & Touche LLP as auditors for fiscal year ending December 31, 2000.

	Votes For	Votes Against	Abstentions
Ratification of Appointment of Deloitte & Touche LLP	5,771,982	17,030	4,472

Item 6. Exhibits And Reports On Form 8-K

(a) Exhibits

Exhibit No.	Description
3.4	Articles of Amendment to the Company's Articles of Incorporation, as filed May 17, 2000
27.1	Financial Data Schedule

(b) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the quarter ended June 30, 2000.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Charles & Colvard, Inc. (formerly C3, Inc.)

Date: August 10, 2000

/s/ Robert S. Thomas

Robert S. Thomas
President & Chief Executive Officer
(Principal Executive Officer)

Date: August 10, 2000

/s/ Mark W. Hahn

Mark W. Hahn
Chief Financial Officer
(Principal Financial and
Accounting Officer)

ARTICLES OF AMENDMENT
OF
C3, INC.
CHANGING ITS NAME TO
CHARLES & COLVARD, LTD.

The undersigned corporation hereby submits these Articles of Amendment for the purpose of amending its Articles of Incorporation:

1. The name of the corporation is C3, Inc.

2. The following amendment to the Articles of Incorporation of the corporation was adopted by its Shareholders on the 15th day of May, 2000, in the manner prescribed by law:

   The Corporation's Articles of Incorporation are amended by deleting Article I thereof in its entirety and substituting the following Article I:

   "I

   The name of the corporation is Charles & Colvard, Ltd."

3. These articles will become effective upon filing.

This the 17th day of May, 2000.

C3, Inc.

By: /s/ Robert S. Thomas

Name: Robert S. Thomas
Title: President

This Schedule Contains Summary Financial Information Extracted From The Condensed Balance Sheet As Of June 30, 2000 And The Condensed Statement Of Operations For The Six Months Ended June 30, 2000 And Is Qualified In Its Entirety By Reference To Such Financial Statements.

6-MOS
DEC-31-2000
JAN-01-2000
JUN-30-2000
5,573,159
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