

Lightbox Delays New Production Plant to 2021



RAPAPORT... Lightbox, De Beers' lab-grown diamond jewelry brand, has delayed commissioning its new facility in Portland, Oregon, by a few months due to the COVID-19 pandemic.

“The building itself and plant infrastructure [are] already complete, and we are now in a phase of installing and commissioning the deposition equipment,” Lightbox CEO Steve Coe said in an email to *Rapaport News*. “To ensure a safe working environment, we have had to slow down this commissioning process as we work in accordance with state and local guidelines...and believe these new working practices will delay the full ramp-up of the plant by no more than a few months.”

He expects the manufacturing center will now reach full production toward the end of the first quarter of 2021, beyond its previous schedule for the fourth quarter this year. The brand maintains its outlook to produce 200,000 carats of polished lab-grown diamonds per year once the facility is fully up and running, Coe added.

In the interim, Lightbox has kept its UK facility operating at full capacity to ensure it has sufficient supply when its retail partners start to reopen their stores, and to satisfy ongoing online sales.

“We continue to see significant demand for our product online and anticipate increased distribution of our product later in the year as brick-and-mortar retailers start to reopen,”

Coe said. “We had to take a brief pause in shipping at the start of the pandemic, but sales are now continuing in a positive direction on [our online sales platform], as well as on the e-commerce sites of our wholesale partners, Reeds and Bloomingdale’s.”

Lightbox debuted its jewelry at Reeds and Bloomingdale’s in late 2019, its first foray into brick-and-mortar. It will explore further retail expansion once the pandemic situation becomes more stable, Coe said, adding that the brand was planning new product launches for later this year.

De Beers unveiled its Lightbox brand in May 2018, announcing that the jewelry would be priced at \$800 per carat. The price structure marked a significant disruption in the lab-grown diamond market, which usually wholesales its product at a discount to natural diamonds.

Coe doesn’t expect Lightbox will make a change to its current pricing strategy in light of the COVID-19 crisis.

“Our pricing of \$800 a carat is simply based on our cost of manufacture, plus a reasonable profit margin,” he said. “For the foreseeable future we believe that this pricing supports a long-term, sustainable business.”

Image: An artist's impression of the new Lightbox facility in Portland, Oregon. (Lightbox)