

WD Lab Grown Diamonds Files for Bankruptcy



M7D Corporation, which trades as WD Lab Grown Diamonds, has filed for Chapter 7 bankruptcy, according to court documents.

The company estimated liabilities of \$44.8 million, it said Wednesday in a filing with the US bankruptcy court for the District of Delaware.

The Washington, DC-based company, owned by private-equity firm Huron Capital, has between 100 and 199 creditors as well as assets worth \$3.1 million, it estimated. It checked the box saying that after administrative expenses are paid, no funds will be available to unsecured creditors.

Chapter 7 is a form of bankruptcy that enables the eradication of debts but involves the company going out of business. The company listed one secured creditor — San Francisco-based Tree Line Direct Lending — and several unsecured creditors.

WD Lab Grown Diamonds has been making synthetic stones using the chemical vapor deposition (CVD) method since its founding in 2008. Huron made a [significant investment](#) in the [company](#) in 2019. It has been in protracted legal disputes with industry members over patents.

WD said it would issue a release “overviewing the future” later this week. Huron declined to comment. Tree Line were not immediately available for comment on Sunday.

Image: Lab-grown diamonds. (WD Lab Grown Diamonds)