Blood-Testing Company Theranos Is Subject of Criminal Probe by U.S.



Elizabeth Holmes
Photo by Max Morse for TechCrunch

Federal prosecutors have launched a criminal investigation into whether Theranos Inc. misled investors about the state of its technology and operations, according to people familiar with the matter, *The Wall Street Journal* **is reporting**.

Walgreens Boots Alliance Inc. and the New York State Department of Health have received subpoenas in recent weeks seeking documents and testimony about representations made to them by the Palo Alto, Calif., blood-testing company, some of the people said.

Theranos once claimed it had made "breakthrough advancements" that made it possible to run "the full range" of lab tests on a few drops of blood pricked from a finger. But some regulators and former employees have voiced doubt about the tests.

"Theranos was valued at $9 billion in a funding round in 2014 and the majority stake of Elizabeth Holmes, the startup's founder and chief executive, at more than half that," *The Journal* reports.

Read the article.