# 23andMe files for Chapter 11 bankruptcy protection amid financial turmoil



Genetic testing company 23andMe has filed for Chapter 11 bankruptcy protection in the United States, a move aimed at facilitating a sale as it navigates ongoing financial difficulties and operational challenges. The announcement was made late on Sunday, marking a significant shift for the company as its chief executive officer and co-founder, Anne Wojcicki, stepped down immediately amidst these transitions.

Founded in 2006 and headquartered in California, 23andMe gained popularity for its innovative home saliva collection kits that provide users with personalised genetic reports related to health and ancestry. Despite having sold over 12 million DNA testing kits worldwide, including in markets such as the US, UK, Canada, and Europe, 23andMe has faced substantial financial losses, reporting a pre-tax loss of more than $128 million (£98.8 million) in its latest financial period covering April to December 2024. This was attributed to declining sales of its testing kits and reduced average selling prices.

In a statement posted on X (formerly Twitter), Wojcicki expressed her disappointment with the dynamics that led to the company’s filing, revealing that a previous attempt she made to privatise the company was rejected. She voiced her intention to pursue the company as an independent bidder, stating, "If I am fortunate enough to secure the company’s assets through the restructuring process, I remain committed to our long-term vision of being a global leader in genetics."

Mark Jensen, the chair of 23andMe's board, emphasised that the decision for a court-supervised sale process was arrived at following "a thorough evaluation of strategic alternatives," affirming that the focus will now be on maximising the business's value. Jensen added that the anticipated processes would also target operational and financial challenges, including ongoing cost reductions and the resolution of legal and leasehold liabilities. He reassured clients about the company's commitment to safeguarding customer data, noting that data privacy would be an important consideration in potential transactions.

The firm has been under scrutiny for data privacy issues stemming from a 2023 data breach that led to an investigation by UK and Canadian data protection regulators, alongside a settlement of a lawsuit in the US related to insufficient protection of customer privacy. As the financial landscape for the company darkened, layoffs ensued, with a significant workforce reduction of 40%, equating to around 200 jobs cut in a bid to stabilise operations.

In light of recent developments, the Attorney General of California also issued a consumer alert advising customers to delete their data from 23andMe’s platforms due to the company's “reported financial distress.” Despite these challenges, 23andMe has assured the public that its operations will continue during the bankruptcy proceedings, with Joe Selsavage, currently the chief financial and accounting officer, taking over as interim CEO while Wojcicki remains on the company’s board.

With competition on the rise in the genetic reporting market and the sustained evolution of consumer expectations, 23andMe's future hangs in a balance as it attempts to re-establish itself amid significant challenges.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://techcrunch.com/2025/03/23/dna-testing-company-23andme-files-for-bankruptcy-protection-ceo-resigns/> - This article corroborates that 23andMe has filed for Chapter 11 bankruptcy protection and that CEO Anne Wojcicki has resigned, intending to bid independently for the company's assets.
* <https://www.globenewswire.com/news-release/2025/03/24/3047517/0/en/23andMe-Initiates-Voluntary-Chapter-11-Process-to-Maximize-Stakeholder-Value-Through-Court-Supervised-Sale-Process.html> - This press release supports the information that 23andMe initiated Chapter 11 proceedings to facilitate a court-supervised sale process, aiming to maximize stakeholder value while continuing operations.
* <https://customercare.23andme.com/hc/en-us/articles/30805135934615-Questions-related-to-23andMe-s-Chapter-11-Filing> - This webpage provides details about the Chapter 11 process, reassuring that customer data will remain protected and that business operations will continue as usual.
* <https://techcrunch.com/2025/03/23/dna-testing-company-23andme-files-for-bankruptcy-protection-ceo-resigns/> - It also reports on the company's financial difficulties and the significant data breach experienced by 23andMe in 2023.
* <https://www.globenewswire.com/news-release/2025/03/24/3047517/0/en/23andMe-Initiates-Voluntary-Chapter-11-Process-to-Maximize-Stakeholder-Value-Through-Court-Supervised-Sale-Process.html> - Additionally, it mentions the leadership changes with Joe Selsavage taking over as interim CEO and Anne Wojcicki remaining on the board.
* <https://customercare.23andme.com/hc/en-us/articles/30805135934615-Questions-related-to-23andMe-s-Chapter-11-Filing> - Furthermore, it outlines the implications of the Chapter 11 proceedings on customer services and data protection.
* <https://www.ft.com/content/fcf419cf-b0ff-4f24-98d1-eb904457e24a> - Please view link - unable to able to access data
* <https://www.irishnews.com/news/uk/dna-testing-kit-firm-23andme-files-for-bankruptcy-in-the-us-BFC2ZIF6IJJKVFBJG6ZBLLWLFY/> - Please view link - unable to able to access data
* <https://www.independent.co.uk/business/dna-testing-kit-firm-23andme-files-for-bankruptcy-in-the-us-b2720355.html> - Please view link - unable to able to access data