

Tab 55

NVE Pharmaceuticals, Inc.

15 Whitehall Road
Andover, New Jersey 07861
Tel: 973-786-7868
Fax: 973-786-7860

33 Newton-Sparta Road
Newton, New Jersey 07860
Tel: 973-383-5444
Fax: 973-383-6785

VIA REGULAR MAIL AND
FACSIMILE to 202.225.1919

June 5, 2003

Alan Slobodin, Esq.
Majority Committee Counsel
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Slobodin:

This letter is in response to your request (during the June 4, 2003 telephone conference with NVE's General Counsel, David C. Caldwell, and outside counsel, Marc S. Ullman of Ullman, Shapiro, Ullman) that we provide you with a "narrative" (written explanation) of how we came up with our Yellow Storm product.

The name of NVE's new product "Yellow Swarm" is based on – but is not the same as – NVE's discontinued product "Yellow Jacket". Yellow Jacket was discontinued (reformulated and the name changed to "Yellow Swarm") when NVE became convinced that other marketers (over whom NVE had no knowledge or control) were inappropriately marketing it as "a street drug alternative." NVE's action to discontinue the manufacture and sale of Yellow Jacket was voluntary to avoid or end the controversy that existed over the name of the Yellow Jacket product.

Our Yellow Swarm product was formulated to consist of 250 mg. of Ephedra (yielding 25 mg. of ephedrine alkaloids), instead of the 240 mg. of Ephedra that was included in our Yellow Jacket product, to keep it consistent with all of our other capsule products. [NB: Our Stacker 2 Lite product contains 125 mg. of Ephedra (yielding 12.5 mg. ephedrine alkaloids.)]

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For manufacturing purposes we decided to decrease the Unidex by 16 mg. and increase the Stearic Acid by 6 mg. As you may know, both the Unidex and Stearic Acid are inert ingredients.

Yellow Jacket, Yellow Swarm, Stacker 2, Stacker 3 and Stacker 4 are all based on our original Stacker product which I formulated. The formulation of our original Stacker product was based on the common industry knowledge that existed and scientific studies that were widely published in body building magazines and other industry publications during the early 1990s. The common industry knowledge and scientific studies held that the combination of caffeine, ephedrine and aspirin was an effective aid for weight loss and boosting energy. The combination of these products by body builders was commonly referred to as "stacking". Hence the name Stacker. I simply incorporated the herbal forms of these ingredients into our original product called Stacker.

Very truly yours,



Robert Occhifinto,
President

C: David C. Caldwell, General Counsel
Marc S. Ullman, Esq., Ullman Shapiro, Ullman