

New patent enlivens NVE stock

Patrick Kennedy

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Tiny NVE Corp., a player in the emerging field of nanotechnology, reported that it received a newly issued patent on Monday. Since then, the company's shares have climbed 42 percent, including a 7 percent jump Wednesday to close at \$36.61 on heavy trading of more than 3 million shares.

The Eden Prairie company's patent is for "spin-momentum magnetic memory cells" and "thermally assisted spin-momentum writing."

Magnetic random access memory (MRAM), which requires nanotechnology manufacturing techniques, has the potential to create very-high-capacity digital memory devices. Nanotechnology involves manipulating very tiny structures -- far smaller than the width of a human hair. (A nanometer is one-billionth of a meter.)

Eduardo Cabrera, emerging technology analyst for J. Giordano Securities Group in Connecticut, is the only analyst covering the company so far. "The company is very well positioned," Cabrera said. "The stock is very attractive, it has no debt, great patents, and two MRAM partnerships."

NVE has partnerships with Cypress Semiconductor and Motorola to license the company's MRAM technology. Cypress has been working with NVE on an MRAM chip design, and Motorola is developing a chip using spintronics that could be used in its mobile phones.

NVE's fiscal year ends in March, and the company was profitable last year with earnings of \$2.1 million on record revenue of \$12 million.

NVE was trading above \$60 in January. Cabrera blames short sellers for dragging down the stock price but maintains that the decline has only created a buying opportunity. Cabrera has a \$65 target price on the stock. NVE Corp. closed Wednesday at \$36.61, up 6.9 percent.

Patrick Kennedy is at pkennedy@startribune.com.