
*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 63713010

13G

Page 3 of 12 Pages

1 NAME OF REPORTING PERSON
S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Merrill Lynch Group, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) / /
(b) / /

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER
None

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
6 SHARED VOTING POWER
1,278,200

7 SOLE DISPOSITIVE POWER
None

8 SHARED DISPOSITIVE POWER
1,278,200

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,278,200

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
7.7%

12 TYPE OF REPORTING PERSON*
HC, CO

*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 63713010

13G

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1 NAME OF REPORTING PERSON
S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Princeton Services, Inc. 22-3266276

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) / /
(b) / /

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER
None

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
6 SHARED VOTING POWER
1,278,200

7 SOLE DISPOSITIVE POWER
None

8 SHARED DISPOSITIVE POWER

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,278,200

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
7.7%

12 TYPE OF REPORTING PERSON*
HC, CO

*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 63713010

13G

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1 NAME OF REPORTING PERSON
S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Fund Asset Management, L.P. (as successor to Fund Asset Management, Inc.)

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) / /
(b) / /

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER
None

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

6 SHARED VOTING POWER
1,278,200

7 SOLE DISPOSITIVE POWER
None

8 SHARED DISPOSITIVE POWER
1,278,200

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,278,200

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
7.7%

12 TYPE OF REPORTING PERSON*
IA, PN

*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 63713010

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1 NAME OF REPORTING PERSON
S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Merrill Lynch Phoenix Fund, Inc. 13-3114958

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) / /
(b) / /

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

| | | |
|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------------|
| | 5 | SOLE VOTING POWER None |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 6 | SHARED VOTING POWER 1,202,100 |
| | 7 | SOLE DISPOSITIVE POWER None |
| | 8 | SHARED DISPOSITIVE POWER 1,202,100 |
| 9 | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,202,100 | |
| 10 | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* N/A | |
| 11 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 7.2% | |
| 12 | TYPE OF REPORTING PERSON* IV | |

*SEE INSTRUCTION BEFORE FILLING OUT!

SCHEDULE 13G

- Item 1 (a) Name of Issuer:
National Patent Development Corporation
- Item 1 (b) Address of Issuer's Principal Executive Offices:
9 West 57th Street
New York N.Y. 10019
- Item 2 (a) Names of Persons Filing:
Merrill Lynch & Co., Inc.
Merrill Lynch Group, Inc.
Princeton Services, Inc.
Fund Asset Management, L.P.
Merrill Lynch Phoenix Fund, Inc.
- Item 2 (b) Address of Principal Business Office, or, if None, Residence:
Merrill Lynch & Co., Inc.
World Financial Center, North Tower
250 Vesey Street
New York, New York 10281
Merrill Lynch Group, Inc.
World Financial Center, North Tower
250 Vesey Street
New York, New York 10281
Princeton Services, Inc.
800 Scudders Mill Road
Plainsboro, New Jersey 08536
Fund Asset Management, L.P.
800 Scudders Mill Road
Plainsboro, New Jersey 08536
Merrill Lynch Phoenix Fund, Inc.
800 Scudders Mill Road
Plainsboro, New Jersey 08536
- Item 2 (c) Citizenship:
Page 7 of 12 Pages
See Item 4 of Cover Pages
- Item 2 (d) Title of Class of Securities:
Common Stock
- Item 2 (e) CUSIP Number:

Item 3

Merrill Lynch & Co., Inc. ("ML&Co."), Merrill Lynch Group, Inc. ("ML Group") and Princeton Services, Inc. ("PSI") are parent holding companies, in accordance with (S) 240.13d-1(b)(ii)(G). Fund Asset Management, L.P. ("FAM") is an investment adviser registered under (S) 203 of the Investment Advisers Act of 1940. Merrill Lynch Phoenix Fund, Inc. is an investment company registered under Section 8 of the Investment Company Act of 1940.

Item 4 Ownership

(a) Amount Beneficially Owned:

See Item 9 of Cover Pages. Pursuant to (S) 240.13d-4, ML&Co., ML Group, PSI, FAM and Merrill Lynch Phoenix Fund, Inc. (the "Reporting Persons") disclaim beneficial ownership of the securities of National Patent Development referred to herein, and the filing of this Schedule 13G shall not be construed as an admission that the Reporting Companies are, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934 (the "Act"), the beneficial owner of any securities of National Patent Development covered by this statement.

(b) Percent of Class:

See Item 11 of Cover Pages

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote:

See Item 5 of Cover Pages

(ii) shared power to vote or to direct the vote:

See Item 6 of Cover Pages

(iii) sole power to dispose or to direct the disposition of:

See Item 7 of Cover Pages

Page 8 of 12 Pages

(iv) shared power to dispose or to direct the disposition of:

See Item 8 of Cover Pages

Item 5 Ownership of Five Percent or Less of a Class.

Not Applicable

Item 6 Ownership of More than Five Percent on Behalf of Another Person.

FAM is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940 and acts as an investment adviser to investment companies registered under Section 8 of the Investment Company Act of 1940. With respect to securities held by those investment companies, several persons have the right to receive, or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities. Merrill Lynch Phoenix Fund, Inc., a reporting person on this Schedule 13G for which FAM serves as investment adviser, has an interest that relates to more than 5% of the class of securities reported herein. No other person has an interest that relates to more than 5% of the class of securities reported herein.

Item 7 Identification and Classification of the Subsidiary Which
Acquired the Security Being Reported on by the Parent Holding
Company.

See Exhibit A

Item 8 Identification and Classification of Members of the Group.

Not Applicable

Item 9 Notice of Dissolution of Group.

Not Applicable

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Item 10 Certification.

By signing below each of the undersigned certifies that, to the best of their knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

Signature.

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: February 14, 1994

Merrill Lynch & Co., Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Assistant Secretary

Merrill Lynch Group, Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Secretary

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Princeton Services, Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact*

Fund Asset Management, L.P.
By: Princeton Services, Inc.
(General Partner)

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact**

Merrill Lynch Phoenix Fund, Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact**

* Signed pursuant to a power of attorney, dated February 10, 1994, included as an exhibit to Schedule 13G filed with the Securities and Exchange Commission by Merrill Lynch & Co., Inc., et. al. on February 14, 1994 with respect to Dial REIT Inc.

** Signed pursuant to a power of attorney, dated February 10, 1994, included as an exhibit to Schedule 13G filed with the Securities and Exchange Commission by Merrill Lynch & Co., Inc., et. al. on February 14, 1994 with respect to Matrix Service Company.

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EXHIBIT A TO SCHEDULE 13G

ITEM 7 DISCLOSURE RESPECTING SUBSIDIARIES

Three of the persons filing this report, Merrill Lynch & Co., Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML&Co."), Merrill Lynch Group, Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML Group"), and Princeton Services, Inc. ("PSI") a Delaware corporation with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey, are parent holding companies pursuant to Rule 13d-1(b)(1)(ii)(G). Pursuant to the instructions in Item 7 of Schedule 13G, the relevant subsidiaries of ML&Co. are ML Group and PSI, which is the general partner of Fund Asset Management, L.P. ("FAM"). The relevant subsidiary of ML Group is PSI.

ML Group, a wholly-owned direct subsidiary of ML&Co., may be deemed to be the beneficial owner of 7.7% of the securities of National Patent Development Corporation by virtue of its control of its wholly-owned subsidiary, PSI.

PSI, a wholly-owned direct subsidiary of ML Group, may be deemed to be the beneficial owner of 7.7% of the securities of National Patent Development Corporation by virtue of its being the general partner of FAM.

FAM, a Delaware limited partnership with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey, is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940. FAM may be deemed to be the beneficial owner of 7.7% of the common stock outstanding of National Patent Development Corporation as a result of acting as investment adviser to investment companies registered under Section 8 of the Investment Company Act of 1940.

One registered investment company advised by FAM, Merrill Lynch Phoenix Fund, Inc., is the beneficial owner of 7.2% of the securities of National Patent Development Corporation.