

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
 or Section 30(h) of the Investment Company Act of 1940

| | | | |
|---|---|--|---|
| 1. Name and Address of Reporting Person* <u>Margula CO LLC</u> | 2. Date of Event Requiring Statement (Month/Day/Year) 12/31/2008 | 3. Issuer Name and Ticker or Trading Symbol <u>NeoStem, Inc. [NBS]</u> | |
| | | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <u>Consultant</u> | 5. If Amendment, Date of Original Filed (Month/Day/Year) |
| (Last) (First) (Middle) 23679 CALABASAS ROAD SUITE 663 | | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person |
| (Street) CALABASAS CA 91302 | | | |
| (City) (State) (Zip) | | | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| | | | |

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|--|--|---|
| | Date Exercisable | Expiration Date | | | | |
| Warrants (right to buy) ⁽¹⁾ | 12/31/2008 | 07/27/2013 | Common Stock, \$0.001 par value | 600,000 | 0.78 | D |

Explanation of Responses:

1. These warrants were granted as payment for consulting services. 500,000 of such warrants vest upon the occurrence of specific events set forth in the Consulting Agreement dated July 28, 2008 between issuer and reporting entity. The remaining 100,000 warrants vest monthly at the rate of 4,167/month commencing August 28, 2008.

Remarks:

This Form 3 is filed jointly with (a) Margula Co LLC, the limited liability company providing the consultation services to the Issuer and (b) Alan Hamel, the manager of Margula Co.

/s/ Alan Hamel, Manager for Margula Co 01/05/2009

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.