



Industry Report Confirms KVH Leads the Rapidly Growing Maritime VSAT Market

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"The COMSYS Maritime VSAT Report, 4th Edition" Concludes That KVH Mini-VSAT Broadband Service Has Nearly Double the Number of Vessels in Service Versus That of the Nearest Competitor

MIDDLETOWN, R.I., March 24, 2015 (GLOBE NEWSWIRE) -- The mini-VSAT BroadbandSM service of KVH Industries, Inc., (Nasdaq:KVHI) has been cited in a newly published report as the market share leader in the maritime VSAT industry by vessels in service. "The COMSYS Maritime VSAT Report, 4th Edition" estimates that KVH's mini-VSAT Broadband customers account for 17.9% of the vessels using maritime VSAT service, as of the end of 2014. According to COMSYS, KVH's market share is nearly double the nearest competitor, whose customers account for an estimated 9.6% of vessels using VSAT service.

"KVH's success in building the largest installed base of vessels over little more than six years from a standing start illustrates how powerful the combination of a smaller antenna, easier installation and better onboard integration can be," reports Simon Bull, the well-respected VSAT industry analyst at COMSYS, the U.K.-based research firm specializing in the satellite communications market. "The past two years have seen the company introduce a range of attractive value-added services and invest heavily in content and integration in an impressive strategy to establish itself as much more than just a bandwidth reseller."

KVH launched the mini-VSAT Broadband service in 2007 and designed it from the ground up to be a next-generation maritime satellite communications solution, utilizing advanced spread spectrum technology that enables KVH's TracPhone[®] V-IP antenna systems to be 85% smaller than competing maritime VSAT products, thereby reducing the installation time and cost for maritime customers. The mini-VSAT Broadband service provides fully global coverage from 24 satellite transponders; is very fast, providing Internet downloads as fast as 4 Mbps; and has low latency, making it ideal for new applications being adopted by leading ship management companies.

"It is great to see one of the most highly regarded research reports in the satellite communications industry quantify KVH's success in winning the maritime VSAT market leadership position," says Martin Kits van Heyningen, KVH chief executive officer. "We've listened carefully to our customers and tried to continually improve our service to provide them with the connectivity and content services they need to add value for their customers, enhance their efficiency, and keep their crews happy. Our strategy is clearly paying off, as 2014 was a record-breaking year for the company, during which our global mini-VSAT Broadband network delivered more than 500 terabytes of data and 25 million minutes of voice calls to our customers around the world."

To better serve maritime customers in their need to affordably bring entertainment and operations content onboard ships at sea, KVH developed the IP-MobileCast[™] content delivery service. This service utilizes multicasting technology to broadcast large files to all ships at once, an efficient and cost-effective delivery method that stands in stark contrast to most competitors' current practice of unicasting files individually to each vessel and charging them for the satellite service consumed. With IP-MobileCast, customers pay a monthly subscription fee for entertainment and news content – new-release Hollywood movies and TV shows, for example – but do not pay a data transmission fee.

KVH is also collaborating with leading maritime navigation and weather content providers such as Jeppesen, Transas, and AWT to deliver electronic charts and high-resolution weather data via the IP-MobileCast content delivery service. Aware of the importance of seafarer safety and professional qualifications, KVH also plans to provide multicasting delivery of maritime training content from Videotel[™], a leader in maritime training and a company that KVH acquired in July 2014.

COMSYS notes strong overall growth in the maritime VSAT market, estimating close to 21,000 vessels were equipped with maritime VSAT as of the end of 2014. It attributes this growth to changing attitudes within shipping companies about the return on investment of satellite connectivity, and to the realization that improved communications and Internet access for crews can save them money.

"VSAT communications seems to have moved from being a cost centre to a cost saver and a service that will actually be key to helping the commercial maritime operators recover from the disastrous economic situation that has been experienced since 2009," Mr. Bull reports. "It is all too easy to dismiss crew welfare as being something 'nice to have' and therefore a cost that can be easily dodged, but the fact is that recruitment and training cost money and increasingly these expenses are becoming significant. Many shipping companies experience annual staff turnovers in excess of 35% and, in one of our interviews with a major operator, a shipping company which had finally installed VSAT discovered that their retention rate had skyrocketed to 85%, easily justifying the additional cost of a VSAT service."

He adds: "Surpassing the 20,000 mark is considered to be a tipping point for the industry with the target now probably around 50,000 vessels over the next few years. Not only do we see vessel growth across the major segments, but bandwidth demand also continues to rise."

The comprehensive COMSYS report includes a total competitive review of all leading maritime VSAT companies, antenna and modem manufacturers, and satellite owners, plus detailed market analysis and customer information based on direct interviews.

Note to Editors: For more information about "The COMSYS Maritime VSAT Report, 4th Edition," please visit the COMSYS website,

www.comsys.co.uk. For more information about KVH's mini-VSAT Broadband service, TracPhone V-IP series antenna systems, and IP-MobileCast content delivery service, visit the KVH website, www.minivsat.com/vip. High-resolution, press-ready images of KVH products are available at the KVH Press Room Image Library, www.kvh.com/press-room/image-library.

About COMSYS

COMSYS is a U.K.-based market analysis firm whose areas of expertise include satellite technology, marketing and competitive analysis; technical and commercial due diligence and satellite capacity issues; and broadband and multimedia markets. COMSYS produces its highly regarded market reports based on primary research, in-depth knowledge of the issues, technologies, companies, and people in the industry. Its senior consultant Simon Bull, the primary author of the company's Maritime VSAT Report, has specialized in the VSAT market since 1985 and advises clients worldwide on all aspects of VSAT systems and satellite systems. In 1997, Mr. Bull was instrumental in forming the Global VSAT Forum (GVF), an industry organization that represents more than 140 of the leading manufacturers and operators of VSAT systems around the world.

About KVH Industries, Inc.

KVH Industries is a leading provider of in-motion satellite TV and communications systems, having designed, manufactured, and sold more than 175,000 mobile satellite antennas for applications on vessels, vehicles, and aircraft, and more than 5,000 TracPhone systems for its mini-VSAT Broadband service. KVH is also a leading news, music, and entertainment content provider to many industries including maritime, retail, and leisure. Videotel, a KVH company, is a leading provider of maritime training. KVH is based in Middletown, RI, with research, development, and manufacturing operations in Middletown, RI, and Tinley Park, IL. The company's global presence includes offices in Belgium, Brazil, Cyprus, Denmark, Hong Kong, Japan, the Netherlands, Norway, Singapore, and the United Kingdom.

This release may contain certain forward-looking statements that involve risks and uncertainties. Forward-looking statements include, for example, the functionality, characteristics, quality and performance of KVH's services and technology; anticipated innovation and product development; and customer preferences, requirements and expectations. The actual results could differ materially. Factors that may cause such differences include, among others, those discussed in KVH's most recent Form 10-K filed with the SEC. KVH does not assume any obligation to update its forward-looking statements to reflect new information or developments.

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