



Shipowners Must Focus on Operational Optimization to Survive Challenging Economic Climate

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Broadband connectivity is vital to stay ahead of the competition, a maritime thought leader suggests during the Posidonia 2016 conference in Athens

MIDDLETOWN, R.I., June 09, 2016 (GLOBE NEWSWIRE) -- Brent Bruun, executive vice president of mobile broadband for KVH Industries, Inc., (Nasdaq:KVHI) and Mike Mitsock, the company's vice president of marketing, told an audience of invited guests at the Posidonia maritime conference in Athens, Greece, yesterday that the market needs to face up to the realities of how 24/7 connectivity between ship and shore is a real business necessity, and is no longer a "nice to have," especially with the intense competition in today's shipping economy.

Mr. Bruun outlined how satellite communications can provide real value to ship operations in one of the most challenging periods in maritime history. "The KVH 'Power of One'™ approach holds tremendous value and promise for the maritime world," Mr. Bruun noted. "While satellite communications tend to account for less than one percent of ship operating costs, they are the lynchpin of optimizing the remainder of the operating cost equation." KVH operates the mini-VSAT BroadbandSM network, which provides global connectivity to thousands of vessels worldwide.

Mr. Mitsock cataloged the major areas for potential operating cost savings and the role of KVH and its partners in focusing on big data to address each area. "The optimization of significant operational costs, such as fuel, through such measures as route planning and engine maintenance, can lead to sustainably lower overall costs," said Mr. Mitsock.

Citing an example from MISC Berhad, a leading Malaysian ship operator, Mr. Mitsock described further evidence of operational cost reductions. The ship operator recently credited improvements in maritime training supplied by Videotel™, part of KVH Industries, with contributing to a 10% saving in dry-docking costs and a 9% reduction in MISC Berhad's vessel operating costs.

Connectivity is also a significant factor in crew retention, Mr. Mitsock said, using evidence from a Crew Connectivity 2015 Survey report by Futureonautics, which stated that "73% of respondents said that the level of crew communications services provided onboard did influence their decisions about which shipping company they worked for."

According to Mr. Bruun, shipowners and shipmanagers are realizing that transferring volumes of shore-to-ship data or multimedia content on a daily basis is made practical and cost-effective by using KVH's efficient multicasting service, IP-MobileCast™. The content delivery service allows mini-VSAT Broadband customers who subscribe to receive news, sports, and entertainment content with no data transmission costs.

"KVH is the one company delivering a total solution for maximum business performance and flexibility," said Mr. Bruun. "Our solution gives users global onboard connectivity, licensed content, affordable content delivery, communications hardware, and network management, all backed up with a comprehensive global service and support program."

Note to Editors: For a copy of the KVH Posidonia presentation, please contact Jill Connors or Phil Page. For more information about IP-MobileCast and KVH's complete maritime solution, please visit the IP-MobileCast website, www.ipmobilecast.com, and the mini-VSAT Broadband website, www.kvh.com/one. For a KVH company overview, please view the movie "[KVH – Innovation that Enables a Mobile World](https://youtu.be/m9Aq8sakzes)" at <https://youtu.be/m9Aq8sakzes>. High-resolution images of KVH products are available at the [KVH Press Room Image Library](http://www.kvh.com/press-room/image-library), www.kvh.com/press-room/image-library.

About KVH Industries, Inc.

KVH Industries, Inc., is a leading provider of in-motion satellite TV and communications systems, having designed, manufactured, and sold more than 200,000 mobile satellite antennas for applications on vessels, vehicles, and aircraft. 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 *market-leading provider of training films, computer-based training and e-Learning*. 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.

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