



## **KVH Industries Builds 25,000th Fiber Optic Gyro, Meeting Growing Demand for Guidance and Stabilization Products**

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KVH's Tinley Park, IL facility recently doubled in size and capacity with 50% increase in staffing to support strong growth in FOG business

TINLEY PARK, Ill., June 1 /PRNewswire-FirstCall/ -- KVH Industries, Inc., (Nasdaq: KVHI) reached a major landmark recently as it built its 25,000th Fiber Optic Gyro (FOG), an illustration of the rapid growth of the company's guidance and stabilization business. KVH's FOGs and integrated navigation systems offer an outstanding blend of performance, reliability, size, and price, making them well-suited for both military and commercial applications. Sales of these systems have increased more than 70% year-over-year in each of the last two quarters as a result of expanding demand and additions in manufacturing capacity made in anticipation of strong growth and the need to supply product at a much higher rate.

"We have invested continuously in research and development over the last 10 years, believing that our FOG business would hold long-term value, both through the enhancement of our existing products as well as in unique guidance and stabilization applications," explains Martin Kits van Heyningen, KVH's chief executive officer. "This has clearly been the case as FOG sales have become an increasingly valuable revenue stream for KVH. Expanding this part of our business is one of our primary -- and quite successful -- strategic initiatives."

KVH's FOG research, development, and manufacturing take place in the company's Tinley Park, IL, facility, which underwent a major factory expansion in 2008 that included doubling its floor space to support new contracts and long-term business opportunities. Monthly production capacity of FOGs also more than doubled, and staffing increased 50%, including the addition of a second shift. While the renovation included the implementation of new, automated manufacturing, precision FOG optical circuit manufacturing relies on KVH's highly trained operators.

"The Tinley Park facility is growing rapidly and contributing to KVH's overall success by building reliable products that bring precision guidance and stabilization technology to a wide variety of commercial applications and help keep private security, government, and military personnel safe," says Jeff Brunner, KVH's vice president of operations for military and fiber optic products. "We are very excited about the growth we are experiencing, and it's wonderful to be doing work that we are proud of, building over 25,000 pieces of equipment that will enhance commercial applications and help keep U.S. and allied armed forces personnel safe."

The recent launch of KVH's new CNS-5000 single-enclosure GPS/IMU is bringing KVH's technology to the forefront of commercial applications. This self-contained navigation system combines FOG-based inertial measurement technology from KVH with global positioning system (GPS) technology from leading GPS manufacturer NovAtel. The system has been a success, generating \$1.9 million in new sales during the first few months of 2009 alone. It is becoming an integral component in a wide range of applications, such as autonomous unmanned ground vehicles (AUGVs) like those built by Frontline Robotics.

Remote Weapons Station (RWS) applications are also an increasingly important part of KVH's FOG business, bringing in more than \$15 million in new product orders in recent quarters. The RWS systems, including Kongsberg's Protector, substantially improve crew safety and weapon accuracy by allowing gunners to operate, aim, and fire the weapon from inside the safety of their vehicles, taking the gunners out of turret positions where they are exposed to hostile fire. In this application, KVH's FOGs provide precise stabilization and weapon recoil control while ensuring that the RWS stays on target whether the vehicle is stationary or on the move.

Please visit [www.kvh.com/FiberOpt](http://www.kvh.com/FiberOpt) for more information about KVH's FOG products.

Visit [www.kvh.com/whitepapers](http://www.kvh.com/whitepapers) to download KVH's case study, "Frontline Robotics Turns to CNS-5000 to Keep Unmanned Security Vehicles On Track" as well as other information about KVH's FOG products.

Note to Editors: High-resolution, press-ready photos of KVH's guidance and stabilization products are available at <http://press.kvh.com> for download and editorial use.

About KVH Industries, Inc.

KVH Industries ([www.kvh.com](http://www.kvh.com)) is a leading manufacturer of solutions that provide global high speed Internet, television and voice services via satellite to mobile users at sea, on land, and in the air. KVH is also a premier manufacturer of high performance sensors and integrated inertial systems for defense and commercial guidance and stabilization applications. The company is based in Middletown, RI, with facilities in Tinley Park, IL, and Kokkedal, Denmark.

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 products 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-Q 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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