KVH Ships 1,500th TracPhone System for its Global mini-VSAT Broadband Network

Milestone reached in less than four years, making mini-VSAT Broadband the most popular and fastest growing maritime VSAT solution

MIDDLETOWN, RI – KVH Industries, Inc., (Nasdaq: KVHI) announced today that 1,500 TracPhone® systems for its mini-VSAT Broaddasts™ network have been shipped to customers. The milestone comes only three weeks after KVH announced the completion of its original global Ku-band network plan with the addition of South American coverage. Together, these announcements reinforce the mini-VSAT Broadband service’s position as both the world’s fastest growing and largest maritime Ku-band network. In addition to the 1,500 systems shipped to customers, many additional systems are currently fielded for trials.

“When we entered the maritime broadband market in 2007, our research showed that satellite communications customers spent most of their time figuring out how to limit their system’s use and control its high costs, not actually benefitting from their chosen service,” explained Martin Kits van Heyningen, KVH’s chief executive officer. “People were frustrated with the high airtime prices charged by Inmarsat for slow data speeds, and they weren’t happy about the size, cost, and unreliability of the available maritime VSAT equipment. Our goal was to offer an entirely new approach to the challenge of communications at sea with compact hardware, reliable and affordable airtime, global coverage, and an end-to-end solution that focused on our customers’ needs.”

Commenting on the latest business milestone, Mr. Kits van Heyningen continued, “The tremendously positive response from commercial and leisure mariners is driving the rapid, accelerating acceptance of mini-VSAT Broadband. It took approximately two years from the service launch to reach 500 TracPhone systems shipped, then just over a year to reach 1,000 units, and now only nine months to hit the 1,500 unit mark. The result is a clear message from vessel owners and operators worldwide that mini-VSAT Broadband is now the leading maritime VSAT solution in virtually every maritime market sector.”
A managed airtime network solution, mini-VSAT Broadband seamlessly links 14 transponders on 10 satellites to provide service around the globe. The resulting worldwide service equips vessels with the highest data rates available today with downloads as fast as 2 Mbps and uploads as fast as 512 Kbps, as well as Voice over IP (VoIP) telephone lines with optimized service and prioritization of applications.

The network uses ViaSat (Nasdaq: VSAT) ArcLight® spread spectrum technology, which was designed specifically for mobile use and previously available only for military applications. ArcLight is unique due to its efficient reuse of satellite channels, fast speed, low latency, and its ability to support very small antennas that provide reliable service, even in poor weather conditions. KVH manufactures two fully integrated onboard systems for the mini-VSAT Broadband network – the award-winning 24" diameter TracPhone V7 and the compact, 14.5" diameter TracPhone V3, which is the world’s smallest maritime VSAT antenna. Both systems include a versatile below-deck control unit and ArcLight modem.

Multiple airtime plans are available, including simple metered plans ($0.99 per MB for data and $0.49 per minute for all calls worldwide to both landlines and mobile phones with packages starting at less than $50 per month) and fixed monthly and seasonal plans with even lower data and voice costs. KVH also provides technical support 24/7/365 through its GlobalCare Center and thousands of trained technicians serving ports around the globe.

In addition to being the largest and fast growing maritime VSAT network, other mini-VSAT Broadband milestones include:

- the widest geographic coverage of any Ku-band maritime VSAT service
- the first maritime broadband service in which one company manufactures the hardware, operates the satellite network, manages the service, and provides after-sale support from a 24/7/365 support center connected to a global field support team
- the first FCC-approved 24" and 14.5" diameter maritime VSAT antennas
- the first Anatel-approved 24" maritime VSAT system and service for use in Brazil
- the first maritime VSAT hardware priced less than $17,000 (TracPhone V3)
- the first maritime VSAT service to win the Mobile Satellite User Association’s “Innovation Award” and the National Marine Electronics Association “Industry Award” for Communications
- the largest order ever won for a maritime VSAT system (a $42 million contract from the U.S. Coast Guard for TracPhone V7 systems to deploy on 200+ cutters)