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KVH’s mini-VSAT Broadband Service Officially Approved by U.S. Government

Federal Communications Commission authorizes KVH’s spread spectrum maritime broadband service and 24-inch TracPhone V7 antenna

MIDDLETOWN, RI – KVH Industries, Inc., (Nasdaq: KVHI) today announced that the Federal Communications Commission (FCC) has granted permanent “Earth Station onboard – Vessel” or ESV license authority for KVH’s mini-VSAT Broadbandsm satellite communications service. This authority officially approves the spread spectrum mini-VSAT Broadband service and 24-inch diameter TracPhone® V7 antenna as meeting the FCC’s new regulations for broadband maritime services. Prior to receiving this permanent license, the KVH mini-VSAT Broadband service has operated in U.S. waters under an FCC Special Temporary Authority (STA) since September 2007, while also supporting mariners worldwide. This is the latest milestone in the KVH and ViaSat Inc. (Nasdaq: VSAT) joint effort to provide affordable mobile broadband connectivity around the globe.

In response to the permanent license approval, Martin Kits van Heyningen, KVH’s chief executive officer, said, “This is a major achievement for the mini-VSAT Broadband service, which brings the economic and operational benefits of VSAT service to large new markets of commercial and leisure vessels. Through the use of ViaSat’s ArcLight® spread spectrum technology and our compact antenna design, we are able to offer higher bandwidth and lower costs through hardware that is 85% smaller and 50% less costly than previously available for maritime VSAT use. While the FCC jurisdiction applies only to U.S. flagged vessels and operations in U.S. territory, the FCC’s approval serves as a major endorsement of the viability and reliability of our global spread spectrum network for maritime operators worldwide.”

The mini-VSAT Broadband service, along with the KVH TracPhone V7 antenna, comprise the first end-to-end 24-inch VSAT antenna, service, and support package available for maritime communications. Together, KVH and ViaSat are currently using seven secure earth stations around the globe, along with seven of the world’s most powerful communications satellites, to offer voice service and Internet access as fast as 512 Kbps (upload) and 2 Mbps (download) at fixed monthly rates to mariners, as well as network coverage for ViaSat’s Yondersm aeronautical mobile broadband service.

“This FCC license grant represents another approval of ViaSat ArcLight technology and its ability to provide true broadband Internet access on mobile platforms including maritime, aircraft, and high-speed trains,” said Don Buchman, ViaSat general manager for mobile satcom. “In addition to being regulatory friendly, the system enables the highest data rate, widest global coverage, and lowest service cost of any maritime satellite communications service.”
More than 500 mini-VSAT Broadband systems have been sold, representing almost 10% of the installed maritime VSAT systems based on estimates in the “2008 Maritime VSAT Markets Report” published by COMSYS. Customers include the U.S. Coast Guard’s 110-foot and 225-foot cutters, commercial operators such as Clipper Marine Services A/S, M.H. Simonsen ApS, Mowinckel Ship Management, fishing fleets like Fishermens Finest, and leisure vessels around the globe.

“The mini-VSAT Broadband network takes a completely different approach to maritime satellite communications to maximize data and voice throughput while preventing interference to adjacent satellites,” explained Robert Balog, KVH’s senior vice president of engineering. “Our network is based on ViaSat’s ArcLight Code Re-use Multiple Access (CRMA) spread spectrum technology, which significantly reduces contention issues, transmission delays, and shared transmission bandwidth compared to traditional Time Division Multiple Access (TDMA) technology that are relied upon by older maritime VSAT networks.

“Traditional TDMA-based VSAT networks require large antennas of 1 meter or more in diameter to narrow their beamwidths and avoid interference into neighboring satellites, and in doing so, also limit transmissions to one antenna at a time. Our network spreads the signal over a wider bandwidth, thereby reducing interference issues, supporting multiple simultaneous users, allowing us to offer an antenna 75% lighter and 85% smaller by volume, and reducing costs as we use the same transponder for inbound and outbound signals. It is extremely gratifying that the FCC recognized that our revolutionary approach meets its high performance requirements for mobile satellite communications systems.”

About ViaSat

ViaSat produces innovative satellite and other digital communication products that enable fast, secure, and efficient communications to virtually any location. The company provides networking products and managed network services for enterprise IP applications; is a key supplier of network-centric military communications and encryption technologies and products to the U.S. government; is the primary technology partner for gateway and customer-premises equipment for consumer and mobile satellite broadband services; and owns WildBlue, the premier Ka-band satellite broadband service provider. ViaSat is based in Carlsbad, CA.

About KVH Industries, Inc.

Middletown, RI-based KVH Industries, Inc., and its wholly owned subsidiary, KVH Europe A/S, are leading providers of in-motion satellite TV and communications systems, having designed, manufactured, and sold more than 150,000 mobile satellite antennas for applications on vessels, vehicles, and aircraft. KVH’s mission is to connect mobile customers around the globe with the same digital television entertainment, communications, and Internet services that they enjoy in their homes and offices.

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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.

KVH and TracPhone are registered trademarks of KVH Industries, Inc. “mini-VSAT Broadband” is a service mark of KVH Industries, Inc. All other trademarks are the property of their respective companies.

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