



ceocfointerviews.com  
© All rights reserved  
Issue: February 7, 2022



## C-COM Satellite Systems starts 2022 with Significant Orders



**Dr. Leslie Klein**  
President and CEO

**C-COM Satellite Systems Inc.**  
(TSXV: CMI) (OTCQB: CYSNF)  
<https://www.c-comsat.com/>

**Contact:**  
+1(613) 745-4110  
[info@c-comsat.com](mailto:info@c-comsat.com)

**Interview conducted by:**  
**Lynn Fosse, Senior Editor**  
CEOCFO Magazine

**CEOCFO: Dr. Klein, what is happening now at C-COM Satellite Systems; how are you weathering the Covid storm?**

**Dr. Klein:** As you know last fiscal year was a poor year due to the impact of COVID. Despite the serious effects this pandemic had on businesses around the world, we have done relatively well compared to many others. Our new fiscal year which started in December of 2021, began with the receipt of new orders valued at more than \$3 million. These new orders were booked by our existing and new resellers from around the world. It appears that we are off to a good start and should have a strong first quarter.

A number of opportunities were deferred or postponed as a result of the pandemic but now it appears that these opportunities are starting to come alive again. There are also signs that several of our competitors have exited the communications on the pause market due to their inability to keep up with new technologies which are changing the satellite marketplace. The complexities were compounded by supply chain issues which made it difficult for some companies to generate sales due to the shortage of parts needed to manufacture products for sale.

Fortunately, C-COM's \$7 million inventory makes it possible to ship product rapidly, giving us an advantage in the marketplace.

**CEOCFO: What are people looking for today; what are the most popular items or systems requested?**

**Dr. Klein:** We manufacture and sell over 20 different types of vehicle mount VSAT antenna systems as well as Flyaway and Manpack antenna systems. These products range from smaller size antennas in the Ka-band frequency range, to larger antennas in Ku and C-band. With the introduction of new Ka-band satellite service around the world there is a large demand for these antennas as they are small, cost-effective and deliver a large amount of bandwidth. We are able to ship these in large numbers from our extensive inventory.

**CEOCFO: Are you working on newer products at the same time as you are selling what you have in stock? How are you planning for the future?**

**Dr. Klein:** C-COM has been around for 25 years, and we are constantly working on developing new product that work with the latest satellite modems and constellations. We have over 8500 antennas deployed in 106 countries on all continents. We are in a final stage of commercialization of a new revolutionary electronically steered Ka-band phased array antenna, which will be deployed for communications on the move using the latest generation LEO (Low Earth Orbit)

constellations. These constellations will consist of many thousands of satellites orbiting the earth and delivering high speed broadband Internet services to every part of the globe.

We are going to be showcasing a Beta version of this Phased Array Antenna at the Washington Satellite 2022 trade show in March of this year. The antenna has been successfully tested over the satellite in 2021.

**CEO CFO: *What is it about the product that deems it ready for primetime?***

**Dr. Klein:** It is not yet ready for primetime. To bring a new product to market takes many steps. We spent the last five years developing it but we have to bring to market in stages. A prototype must be built, has to be tested for functionality, make sure it meets our requirements and then it gets put through environmental tests to make sure it will survive environmental conditions like cold and hot weather, it has to be able to withstand vibrations on top of a vehicle to make sure it does not fall apart. We then have to certify the unit with a number of satellite operators.

It is a fairly lengthy process. However, at the end of the day, if you come out with a new product that is revolutionary in terms of weight, size, and performance, and hopefully is priced right for the market. The new Phased array antenna will be also adaptable for aeronautical and marine applications.

**CEO CFO: *In looking at your site there are many verticals. How are your solutions applicable for mobile banking and telehealth?***

**Dr. Klein:** Our worldwide customer base uses our antenna systems in many verticals. The antennas make it possible for just about anyone to deploy and connect to the Internet in minutes at a press of a button in areas where coverage is only possible via satellite due to lack of terrestrial coverage or there is not enough bandwidth for a particular task at a specific location.

**"We are a relatively small but very successful and profitable publicly traded company active in over 100 countries around the world providing essential lifesaving communication solutions." Dr. Leslie Klein**

Our customers also need the ability to move from location to location, in other words they want to be able to be stationary while they are using the product but in minutes after pushing a button, they can stow the antenna and move on and deploy it at a new location. To do that in the satellite business you have to have an antenna that is robotic and fully automatic. In other words, it removes the operator from the equation so a bus driver or an operator of an ATM machine that is on wheels can activate the antenna at push of a button and get connected to the Internet in a few minutes without knowing anything about satellites or satellite technology. Normally, it would take an hour and a half to two hours every time they move to manually point the antenna to the right satellite, and you would need a satellite engineer to travel with this vehicle and do this every time one moves to a new location.

This is where the big advantage of our antennas comes in, as they are fully automatic, so with the press of a button, within two minutes you have connection and you could have for example a bank on wheels, an ATM machine that goes from location to location and dispenses cash. In Barcelona we have about 20 of them that move around during the tourist season and dispense cash like any ATM machine from different locations.

Another type of service similar to that is where these ATM machines do not have cash. In Africa for example, they fill cell phones with cash, so if you have a bank account and you have a cell phone and you have an arrangement with a bank, you can pay with your cell phone. Our antennas make it possible for the banks to deploy this type of service and generate additional revenues for the bank using this type of mobile banking solutions.

**CEO CFO: *Are you doing much outreach these days? Are you missing the availability of conferences?***

**Dr. Klein:** We did not go to any conferences or trade shows last year. However, this year we are planning to go to all of them, although some of them are already being postponed. We will be attending conferences like the Satellite 2022 in Washington D.C., and the NAB Show in Las Vegas. Possibly also Cabsat in Dubai in May and CommunicAsia in Singapore in June. We hope that the conditions relating to Covid will be lifted by then and that we will be able to attend all of these much the same way we used to before the pandemic.

**CEOCFO: *How has the investment community been viewing C-COM these days? Have they noticed how well C-COM is positioned?***

**Dr. Klein:** Our stock price lost some of its value during the pandemic. It's trading down from the highs of \$4.35 and the pandemic has definitely affected stock price. Sales in 2020 as reported have been on the low side and definitely impacted by Covid. Since we have not yet reported 2021 results, the price of the stock today reflects last year's results. The markets in general have been positive towards the C-COM stock.

The markets are unpredictable, and we hope that the shareholders will appreciate what we are doing especially with the development of the new phased array electronically steered, on-the-move antenna that will be entering into a market that is predicted to be worth \$42.8 billion in the next four years.

**CEOCFO: *You mentioned a number of companies in your industry fell by the wayside? Do you see a consolidation and would you consider acquisitions at some point?***

**Dr. Klein:** We expect significant consolidation in the industry and are open to working with any other satellite company that brings synergy to C-COM. Consolidation and acquisitions are happening in the industry and I believe that this is good for the business.

As there are going to be consolidations, there will also be bankruptcies because of the pandemic. The satellite market has been extremely hot these days in terms of investments. As you know, Elon Musk, Amazon, Telesat and OneWeb, just to mention a few are entering the LEO satellite market, which makes the satellite space an extremely hot commodity. Many billions of dollars are being invested into this market and we believe it will benefit the industry in a big way. C-COM will be playing a significant role in the LEO constellation marketplace by providing on the move phased array antenna systems to this new marketplace.

We hope there will be a lot of interest in the new phased array on the move antenna technology, because it will be working using Ka-band satellites that are in lower orbit able to use smaller antennas and take advantage of our expertise in the ability to track satellites and make it possible to deliver high speed Internet into moving vehicles. The next couple of years look very exciting for the satellite segment of the industry and specifically for the antenna segment. We believe that C-COM will be playing a significant role in that development.

**CEOCFO: *Are you surprised that you still enjoy C-COM so much; your enthusiasm comes through loud and clear?***

**Dr. Klein:** I have started the company 25 years ago and I find the job to be still exciting, interesting, and challenging. C-COM employees are one of the best in the industry. They are challenged by new technologies, new opportunities and provide an incredibly high level of support to our customers around the world. We are highly focused and concentrated on this market. We are one of the best in the world in this niche market which we hope will become a very large market over the next few years. We expect to play a significant role in this new and rapidly expanding market. Being an engineer, I find it fascinating what is happening in the satellite sector and it is very exciting to be part of it.

**CEOCFO: *Why is C-COM Satellite Systems an important company?***

**Dr. Klein:** We are an important company because we provide important and very often lifesaving solutions to our customers around the world. Our market is not as large as the cellular market, but an equally important market. For example, C-COM has been very active in Japan delivering cellular backhaul to Softbank there. Following the Fukushima disaster our antennas were deployed to deliver cellular coverage and provided lifesaving communications. Equally after the Katherina disaster in New Orleans, we provided essential communications that was not possible without the type of products we manufacture.

We are a relatively small but very successful and profitable company active in over 100 countries around the world. We are also working closely with 600 resellers who are depending on this type of technology by adding value and providing local services and support to their customers. It is definitely a segment of the communications market that is a very important one. C-COM is an early entrant into this sector and has been providing for almost 25 years innovative, leading edge solutions, and we will continue to do so for many years to come.