



# HII Weekly News Digest

**April 26, 2024**

HII's Weekly News Digest is compiled every Friday by the Corporate Communications team to summarize and highlight news stories of significance to the company.

**NNS Delivers *New Jersey* (SSN 796) To U.S. Navy:** USNI News reported on Thursday that HII's Newport News Shipbuilding division has delivered *New Jersey* (SSN 796) to the U.S. Navy. The boat is the 23rd *Virginia*-class nuclear attack submarine and the fifth Block IV attack boat. It is the first designed from the keel up to accommodate mixed gender crews. Inside Defense reported on Thursday that U.S. Rep. Joe Courtney, D-Conn., touted the delivery as a sign of "forward momentum" for the submarine industrial base. Courtney, the House Armed Services seapower and projection forces subcommittee ranking member, has been a vocal critic of the Navy's move to reduce *Virginia* procurement to only one boat in fiscal year 2025. During a Navy budget hearing last week, he pointed to the October 2023 delivery of the *Hyman G. Rickover* (SSN 795) and the upcoming deliveries of *Iowa* (SSN 797) and *Massachusetts* (SSN 798), expected in October and December of 2024 respectively, as evidence of improvement being experienced by private shipyards. Stars and Stripes reported on Thursday that *New Jersey* is expected to be commissioned later this year.

**Navy Secretary: Amphib Block Buy Announcement Coming Soon:** USNI News reported on Tuesday that Navy Secretary Carlos Del Toro confirmed negotiations are underway for a multi-ship procurement deal that would include three *San Antonio*-class amphibious warships and an *America*-class big deck amphibious warship, all of which are built at HII's Ingalls Shipbuilding division. An announcement is expected in the coming weeks. Defense Daily reported on Tuesday that several members of the House Armed Services Seapower and Projection Forces subcommittee have projected buying three LPDs and one LHA could save upward of \$900 million over buying them separately. The Navy's fiscal year 2025 budget request documents include plans to procure the next three LPDs over the next five years at the rate the Navy and industry agree are optimal procurement rates, with one every two years. Del Toro has mentioned the Modern Day Marine exposition, which opens April 30 in Washington, D.C., as the likely venue for the block buy announcement, according to the USNI News article.

**General Dynamics CEO Concerned Over Single-Sub Purchase Proposal:** Breaking Defense reported on Wednesday that the head of General Dynamics is concerned the Navy's plan to buy just one *Virginia*-class submarine in fiscal year 2025 may have long-term effects on the supply chain. Phebe Novakovic, the company's chief executive, told participants on the company's quarterly investor call on Wednesday that a lack of advanced procurement funding for the second sub could hurt smaller suppliers down the road. GovCon Wire reported on Wednesday that General Dynamics' revenue and net earnings grew 8.6% and 9.5% year-over-year to \$10.7 billion and \$799 million. The company said Wednesday its operating earnings reached \$1 billion, or 10.4% higher from a year ago, while company-wide backlog went up 4.4% to \$93.7 billion compared to the first quarter of 2023.

**Investments Prep Norfolk Naval Shipyard For Next Generation Ships:** The Virginian-Pilot reported on Wednesday that the Navy is in the thick of a modernization effort at Norfolk Naval Shipyard that will help the facility better maintain *Ford*-class aircraft carriers and *Ohio*-, *Virginia*- and *Columbia*-class submarines. The once-a-century rehabilitation of dry docks, reconfiguration of infrastructure and replacement of industrial plant equipment at the Navy's four shipyards are all a part of the Shipyard Infrastructure Optimization Program. Close to 40 projects, totaling \$520 million under contract, are in

progress at Norfolk Naval Shipyard, said Mark Edelson, program executive officer for industrial infrastructure. By the time the Navy program outlines the shipyard's master plan in 2026, he said he expects the number of projects to double.

#### **Social Media Highlight Of The Week**

Posted Friday on HII's Facebook page:

"Join HII at this year's Modern Day Marine expo at the Walter E. Washington Convention Center in Washington, D.C., from Tuesday, April 30, to Thursday, May 2.

Come visit us at Booth #2117 to learn more about how we're dedicated to empowering the U.S. Marine Corps and U.S. Navy team with cutting-edge advancements.

#ModernDayMarine2024 #DeliveringTheAdvantage"



**Hyundai Heavy Industries, Philly Shipyard Sign MOU Entering US Ship Market:** Breaking Defense reported on Wednesday that South Korean shipbuilder HD Hyundai Heavy Industries has signed a memorandum of understanding with Philly Shipyard to cooperate on construction and maintenance of naval vessels ordered by the U.S. government. Under the new deal, the two companies will "explore a potential business relationship relating to future U.S. government shipbuilding projects as well as maintenance, repair and overhaul projects," according to a Philly Shipyard statement. Philly Shipyard is a subsidiary of the Norwegian industrial investment group Aker ASA, headquartered in Oslo, Norway. Founded in 1997, it is best known for its work on commercial container vessels and tankers. The MOU is the latest in a series of moves by South Korea's defense industry to ingrain itself into the American supply chain, a move that was ostensibly precipitated by Navy Secretary Carlos Del Toro visiting Asia in recent months and openly inviting such investments.

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*HII's Weekly News Digest is produced by HII's Corporate Communications team and posted to Homeport every Friday.*

*Please note: Social media is blocked on HII computers for most employees. Employees are encouraged to visit HII's Facebook page and other social media sites on personal time and from non-work devices.*

*Send feedback to: [HII\\_Communications@hii-co.com](mailto:HII_Communications@hii-co.com).*