



Feb. 28, 2025

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.

HII Invests \$45 Million To Expand Propulsion Facility: Breaking Defense reported on Monday that HII's Newport News Shipbuilding division will invest \$45 million toward the expansion of a Leonardo DRS naval propulsion manufacturing facility in South Carolina. Defense Daily reported on Tuesday that the investment will create a 40,000-square-foot expansion on a facility being built by Leonardo that will be used to produce steam turbines for *Columbia*-class ballistic missile submarines. The Goose Creek site is within close proximity to the Newport News Shipbuilding — Charleston Operations site acquired by HII earlier this year. Leonardo's new facility is slated to open in 2026. The company is currently producing *Columbia*-class submarine electric propulsion system components, including the main propulsion motor, the main propulsion drives and main propulsion controller.

Pentagon Leadership Changes: Who's Up Next? Reuters reported on Saturday that retired Air Force Lt. Gen. Dan "Razin" Caine has been nominated to replace Gen. Charles "CQ" Brown as chairman of the Joint Chiefs of Staff. Caine is a career fighter jet pilot who patrolled the skies above Washington, D.C., during the 9/11 attacks, served in the Middle East during the fight against the Islamic State and then worked at the CIA. USNI News reported on Saturday that Vice Chief of Naval Operations Adm. James Kilby is now performing the duties of the vacant chief of naval operations position on an interim basis. Defense Secretary Pete Hegseth has yet to name a frontrunner to succeed Adm. Lisa Franchetti and is seeking nominations. The confirmation process for both roles requires Senate approval. Meanwhile, Politico reported on Thursday that John Phelan, President Donald Trump's nominee for Navy secretary, told members of Congress that his private sector experience makes him the right choice to address shipbuilding delays, maintenance backlogs and workforce shortages. During a Senate Armed Services Committee hearing, Phelan called *Columbia*-class subs "critical" and pledged to streamline processes to cut costs and delays. He also said he wanted to incentivize private sector companies to enter the submarine business and, if needed, restructure contracts. He backed modifications to *Nimitz*-class carriers to support drone operations and a planned fleet of uncrewed Collaborative Combat Aircraft, which would work alongside piloted jets.

House GOP Reassures Submarine Industrial Base: Inside Defense reported on Wednesday that House Republicans are attempting to reassure members of the submarine industrial base that robust investment will continue amid uncertainty over the Trump administration's defense spending priorities. At a Submarine Industrial Base Council event held Wednesday, House Armed Services seapower and projection forces subcommittee Chairman Trent Kelly, R-Miss., pledged to send a "strong demand signal" to submarine makers. Rep. Rob Wittman, R-Va., House Armed Service Committee vice chairman and a longstanding submarine advocate, also affirmed the continued need for the purchase of two *Virginia*-class boats per year. Last week, the Pentagon announced plans to cut \$50 billion, or about 8%, from its unreleased fiscal year 2026 spending request and re-invest this money in new priorities. The Pentagon will also look to cut and shift 8% each year across the five-year Future Years Defense Program. A DOD list of 17 exemptions from these cuts include the *Virginia*-class submarine program. While the *Columbia*-class program was not specifically named, DOD officials have reassured industry partners that it is safe from cuts.

Social Media Highlight Of The Week

Posted Wednesday on HII's Facebook page:

"Innovation at sea begins with how we #BuildIt beneath the surface.

Our #MissionTechnologies division's Uncrewed Systems group is defining and building the next generation of smart defense and intelligence systems.



You can join our team of skilled engineers and build it, too.

Your career. Our defense. Ready to take the next step in building your career? Visit [HII.com/careers](https://www.hii.com/careers) today and find your perfect fit."

Defense Officials Weigh In On Civilian Workforce Cuts: Inside Defense reported on Thursday that Defense Department officials overseeing tens of thousands of employees foresees a painstaking process that could create opportunities for their respective areas if the Trump administration follows through on a promise to cut between 5% and 8% of the Pentagon's civilian workforce. The Associated Press reported on Friday, Feb. 21, that the DOD has announced it plans to cut 5,400 probationary workers in the coming week and will institute a hiring freeze. Meanwhile, the total number of anticipated job cuts over the coming months could amount to anywhere between 35,000 and 56,000 employees, based on estimates from the Government Accountability Office. Lt. Gen. Christopher Mohan, deputy commanding general of Army Materiel Command, said the cuts will "force us to rethink and reimagine the way that we do business, and so there's opportunities." Mohan spoke Wednesday during the Govini Defense Software & Data Summit in Washington, D.C. Other participants warned that cuts need to be strategic so they do not affect readiness. Darin Selnick, who is acting undersecretary of defense for personnel and readiness, said workforce reductions will produce efficiencies and refocus the DOD on the president's priorities.

HII Joins Supply Centralized Chain System: Australia-based Defence Connect reported on Tuesday that HII has joined the Joint Supply Chain Accreditation Register, known as JOSCAR. The collaborative tool is used by a growing number of prime contractors in the aerospace, defense and security industry and acts as a single repository for pre-qualification and compliance information. Centralizing the data allows the information to be accessed by all participating buying organizations. JOSCAR was launched in June 2024 and has since been adopted by the Commonwealth's Capability Acquisition and Sustainment Group and 11 prime contractors, including Northrop Grumman Australia, QinetiQ, Kongsberg Defence Australia and Austal. Shaun Barrett, chair of the JOSCAR Governance Group in Australia, said 1,000 suppliers have already qualified on the platform.

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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.

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