



March 7, 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.

Trump Backs Shipbuilding Incentives: The Wall Street Journal reported on Wednesday that the Trump administration is preparing an executive order aimed at reviving U.S. shipbuilding and cutting Chinese dominance of the global maritime industry. USNI News reported on Wednesday the order includes language similar to the Shipyard Accountability and Workforce Support proposal, also known as SAWS, a Navy-crafted plan seeking to tackle the rising cost of submarines. Specifically, the White House order calls for the Navy to “increase wages for nuclear shipyard workers through innovative contract changes using existing funds.” In total, a draft summary of the order includes 18 measures ranging from raising revenue from fees on Chinese-built ships and cranes entering the U.S., to establishing a new office at the National Security Council to strengthen the domestic maritime sector. Overall, the effort will be led by a new White House maritime industrial base office. The measure instructs Elon Musk’s Department of Government Efficiency to review government procurement processes, including those belonging to the Navy. Several cabinet secretaries — including the U.S. Trade Representative and the heads of the departments of Defense, Commerce, State, Transportation, and Homeland Security — have six months from when the order is signed to provide Trump with a maritime action plan, according to the draft. The USNI News article notes the maritime action plan must include a wide range of items, including a probe into China’s “unfair targeting of maritime logistics, and shipbuilding sectors,” the creation of a maritime security trust fund that could put money toward a shipbuilding financial incentives program for the next nine years and the creation of maritime opportunity zones to promote shipbuilding investment.

HII To Help Australian Companies Join Submarine Supply Chain: Defence Connect reported on Thursday that HII Australia has secured a contract worth an initial \$9.6 million to deliver the Australian Submarine Supplier Qualification Pilot Program over the next two years. The program is designed to fast-track the identification and qualification of Australian suppliers and products into the United States’ submarine industrial base. It will be delivered in partnership with H&B Defence, a joint venture between HII and Babcock. The original contract is for two years, with an option to extend based on performance.

KEEL To Invest \$70 Million In Submarine, Carrier Component Facilities: Breaking Defense reported on Tuesday the South Carolina-based KEEL plans to invest \$70 million in three new facilities to support submarine and aircraft carrier component manufacturing in Charleston. The expansion, expected to be completed by 2027, includes a preparation and paint building, a *Columbia*-class submarine superstructure fabrication facility, and an employee-focused building. KEEL, formed in 2024 through a merger of Pegasus Steel, Metal Trades, and Merrill Technologies Group, supplies critical components to HII’s Newport News Shipbuilding division and General Dynamics Electric Boat. KEEL CEO Brian Carter said the investment will help address capacity challenges in nuclear Navy shipbuilding and improve production schedules for *Virginia*- and *Columbia*-class submarines, along with *Ford*-class aircraft carriers. The move follows similar expansions by Navy contractors in the region, including HII’s acquisition of substantially all of the assets of W International and Leonardo DRS’s facility growth for naval propulsion technologies. Charleston is a growing manufacturing hub and its access to a strong labor market were key factors in KEEL’s decision to expand.

Social Media Highlight Of The Week

Posted Thursday on Mission Technologies' LinkedIn page:

"A Major Leap in Unmanned Systems Innovation



HII's Uncrewed Systems team in Pocasset, Massachusetts, had the honor of hosting Capt. Jon J. H., program manager of the US Navy's Expeditionary Missions program office, as we took a closer look at the Lionfish program. As the first Lionfish unmanned underwater vehicles near delivery, this visit highlights the critical role these innovative systems play in supporting our warfighters.



Capt. Haase's valuable insights reinforced the importance of REMUS UUVs, which are crucial to advancing mission readiness and ensuring operational success.

'Getting to hear directly from such a respected advocate for our technology is truly invaluable,' said Duane Fotheringham, president of Mission Technologies' Uncrewed Systems group. 'His perspective strengthens our commitment to developing reliable, mission-ready systems that deliver capabilities at the speed of relevance.'"

HII Incorporates Additive Manufacturing During New Carrier Construction: Naval Technology reported on Wednesday that HII's Newport News Shipbuilding division has installed the first 3D-printed valve manifold assembly on *Ford*-class aircraft carrier *Enterprise* (CVN 80). The integration of additive manufacturing, or 3D-printing, into shipbuilding is poised to enhance the speed and quality of construction for critical components, potentially shortening lead times and accelerating the delivery of vessels to the US Navy. The valve manifold assembly, required for distributing fluid from a single source to multiple points on the ship, is situated in a pump room of the aircraft carrier. The Maritime Executive reported on Tuesday that the assembly is approximately 5 feet long and 1,000 pounds. NNS collaborated with DM3D Technology to manufacture the manifold body. Similar manifolds planned for the next carrier in the class, *Doris Miller* (CVN 81), will also employ additive manufacturing rather than traditional casting methods.

USS *Nimitz* (CVN 68) To Deploy Final Time Before Deactivation At NNS: USNI News reported on Tuesday that USS *Nimitz* (CVN 68) will deploy one final time before the aircraft carrier is decommissioned and sent to HII's Newport News Shipbuilding division for deactivation. Following the deployment, *Nimitz* will make one last homeport change, moving from Bremerton, Washington, to Norfolk, Virginia, before it starts the decommissioning process in 2026. *Nimitz* and its crew of more than 3,000 will move to Norfolk by April 2026. Once in Virginia, the first-in-class ship will go to NNS where the company will begin the process to remove the nuclear fuel and deactivate the carrier. It's unclear where exactly the aircraft carrier strike group is set to go when it deploys later this year. *Nimitz* returned to Bremerton last week and will stay there until its final deployment.

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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.

Send feedback to: HII_Communications@hii-co.com.