



# HII Weekly News Digest

**March 21, 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 Already Benefitting From South Carolina Facility:** Inside Defense reported on Monday that fewer than 60 days have passed since HII took over the 480,000-square-foot metal fabrication facility in Goose Creek, South Carolina, and the team there has already built its first carrier unit. HII's Newport News Shipbuilding-Charleston Operations is part of HII's a two-pronged strategy to boost shipbuilding capacity by outsourcing a larger share of construction work to auxiliary facilities and moving production to locations where there is already available labor. HII plans for the site to reach full capacity by 2027 or 2028, producing carrier structural units and building and outfitting submarine modules for *Columbia*- and *Virginia*-class vessels. The Post and Courier reported on Monday that HII plans to double its existing workforce in Charleston, which now sits at nearly 500 employees. GovCIO reported on Wednesday that a manufacturing strategy where components of a ship are built in various locations and shipped to a final assembly yard, could enable the U.S. Navy to access untapped talent, ramp up production and redefine the nation's shipbuilding strategy. Bryan Clark, senior fellow at the non-partisan Hudson Institute, said the approach brings work to people where they are, rather than counting on people to move where the work exists.

**Wittman Sees Renewed Life In SAWS Proposal:** Defense Daily reported on Tuesday that House Armed Services Vice Chairman Rob Wittman, R-Va., said Office of Management and Budget Director Russell Vought seems open to revisiting the Shipyard Accountability and Workforce Support effort. SAWS, developed by the Navy and shipbuilding industry last year, seeks to redirect money previously obligated for future submarines to instead boost current pay and incentives for shipyard workers to rebuild a better shipbuilding workforce to produce ships more efficiently. Wittman told reporters during the McAleese Defense Programs Conference that there are a few pathways to redirecting money to improve shipyard wages, one of which is having OMB allow the money in current contracts to be moved up with the SAWS strategy. Wittman's optimism comes weeks after Sen Roger Wicker, R-Miss., chairman of the Senate Armed Services Committee, said he was trying to push a skeptical OMB to accept a SAWS-type initiative.

**Hanwha Takes Stake in Australian Shipbuilder Austal, Plans Global Expansion:** The Wall Street Journal reported on Sunday that South Korea's Hanwha Group has taken a 9.9% stake in Australia's Austal almost a year after The South Korean-based firm proposed a full takeover. Hanwha acquired 41.2 million shares in Austal for the equivalent of about \$2.84 per share, representing a 16% premium to Monday's closing price. Hanwha had offered far less last year when it made an unsolicited approach for Austal. Hanwha has framed its acquisition as a move toward partnership rather than a takeover. Bloomberg reported on Monday that the move boosts Hanwha's foothold in American shipbuilding. In December, Hanwha completed its purchase of a former Navy shipyard in Philadelphia through its unit, Hanwha Ocean Co. The stake in Austal comes as Hanwha plans an equity capital increase worth \$2.5 billion to build up overseas and domestic production to meet growing international demand, Reuters reported on Thursday. The company plans to use \$612 million to improve domestic production facilities, \$204 million to develop engines for unmanned aircraft, and \$544 million to secure overseas shipbuilding sites. The

largest bulk of the capital, \$1.1 billion, will be used to invest in overseas production bases for ground defense arms, including establishing local factories and buying up stakes in other defense firms.

#### Social Media Highlight Of The Week

Posted Wednesday on HII's LinkedIn page:

"HII-built ships are built in America, for America.

We're excited to return to the Navy League of the United States' hashtag#SeaAirSpace2025 Global Maritime Expo, the United States' premier maritime exposition, from April 6-9, 2025, at the Gaylord National Resort & Convention Center in National Harbor, Md.!

Visit us at Booth 923 and hear directly from our experts on how we're delivering the advantage to our customers and expanding international opportunities with U.S. forces and allies.

Learn more at HII.com: <https://lnkd.in/evwiBw5Z>

#SAS2025"



**Navy Deploys Destroyers Off Gulf Coast For Border Protection:** USNI News reported on Sunday that guided-missile destroyer USS *Gravelly* (DDG 107) has deployed to U.S. Northern Command and is embarking with a Coast Guard law enforcement detachment to patrol waters off the Gulf Coast. The move is part of the military's response to President Donald Trump's executive order and national emergency declaration to secure the U.S. border. The ship will operate mainly in NORTHCOM's area of response, in the waters around Florida, Alabama and Louisiana, U.S. Fleet Forces Commander Adm. Daryl Caudle told reporters Monday. Military.com reported on Wednesday that the Navy plans to send a second yet-to-be-identified destroyer to patrol the waters off the West Coast of the U.S. by the end of this week to also support the mission along the border. It is not clear how long the destroyers plan to be at sea carrying out their mission, but Northern Command's news release on the *Gravelly* used the phrase "scheduled deployment," which typically means a multiple-month mission.

**HII Wins \$147 Million Contract For Shipboard & Shore-Based Combat Training:** MarineLink reported on Tuesday that HII's Mission Technologies division has won a \$147 million contract to support shipboard and shore-based combat training services for the U.S. Navy. Under the five-year task order, HII will provide engineering support for every aspect of training systems under the U.S. Naval Surface Warfare Center Dahlgren Division, Dam Neck Activity (NSWCDD DNA), including associated hardware, software, subsystems and elements. Tasks will range from integrated training system hardware and software

installation, system certification and testing to troubleshooting, repair and lifecycle sustainment. Naval Today reported on Wednesday that work will be performed at multiple locations in the U.S. and overseas. HII supports the U.S. naval fleet across various bases and operational theaters worldwide.

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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.*

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