

# Navy Awards Amphibious Multi-Ship Procurement Contracts



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From Team Ships Public Affairs, 24 September 2024

WASHINGTON – The U.S. Navy awarded contracts totaling \$9,472,132,620 for procurement of one America-class amphibious assault ship (LHA) and three San Antonio-class amphibious transport dock (LPD) ships, Sept. 24. The award, executed across two separate contracts to Huntington Ingalls Industries, Ingalls Shipbuilding Division, utilized a multi-ship procurement approach. By using this strategy, as authorized by Congress, the Navy is projected to achieve more than \$901 million in cost avoidance as compared to the use of annual contracts.

The long-term contract agreements align with Secretary of the Navy Del Toro’s maritime statecraft initiatives to make naval shipbuilding more cost effective while promoting shipyard stability and investment. The agreements provide stable shipyard workload well into the early 2030s, providing a consistent demand signal to vendors.

“The importance of this multiple amphibious ship purchase cannot be overstated with respect to our whole-of-government effort to restore the maritime capabilities of the United States,” said Del Toro. “This purchase sends a steady demand signal to our shipbuilding industrial base that our Navy is

actively investing in our shipbuilding infrastructure.”

The awards are consistent with the Commandant of the Marine Corps’ projected force structure requirements and demonstrates the Navy’s commitment to maintaining 31 amphibious ships.

“The Amphibious Ready Group / Marine Expeditionary Unit (ARG/MEU) is the premier force offering of our Corps,” said Lt. Gen. Eric Austin, Deputy Commandant for Combat Development and Integration. “This multi-ship procurement contract ensures the Marine Corps upholds the obligation to meet combatant commander requirements for continuous MEU presence. ARG/MEUs provide our national leadership with combat credible forces that are persistently forward, assure allies and partners, and contribute to deterrence, campaigning, crisis response, and combat operations.”

The America-class of amphibious assault ships operate as the centerpiece of ARG/MEU operations and Marine Expeditionary Brigade with accommodations for ship’s company, troops, vehicles, and equipment. The San Antonio-class of amphibious transport dock ships are designed to embark, transport, and deploy ground troops and equipment.

“This multi-ship procurement provides the long-term stability our shipbuilders and vendors require, enabling them to deliver product effectively, help support and retain a talented and critical workforce, and invest in the infrastructure required to sustain and grow our shipbuilding capability and capacity,” said Assistant Secretary of the Navy Acquisition, Research and Development, Nickolas Guertin.

“This multi-ship procurement will deliver critical amphibious warfare capability to support the Navy and Marine Corps mission,” said Capt. Matthew Tardy, program manager, Amphibious Warfare Program, Program Executive Office (PEO) Ships. “The partnership between the Navy and Ingalls Shipbuilding is important. We are proud to be working with

their talented workforce to build and deliver highly capable ships and provide needed stability for the shipbuilding industrial base.”

Program Executive Office Ships (PEO Ships), one of the Defense Department’s largest acquisition organizations, manages the design and construction of destroyers, amphibious ships, special mission and support ships, as well as a wide range of boats and craft for U.S. agencies and foreign military sales. These platforms enable our nation and its allies to project presence in peace, power in wartime, and assured access at all times.

**The Navy provide the following opening statements in a press roundtable announcing the contract on Sept. 25:**

**Tom Rivers, Executive Director, Amphibious Auxiliary and Sealift for Program Executive Office Ships**

“I want to thank everybody for joining us today for this media roundtable. Earlier this evening, using the authorities provided within the National Defense Authorizations Acts for fiscal years, 2023, and 2024, Huntington Ingalls Incorporated, better known as Ingalls shipbuilding division of Pascagoula, Mississippi, was awarded a combined \$9.47 billion fixed price incentive fee agreement to procure three San Antonio class amphibious transport docks, LPDs, 33, 34 and 35 and one America class amphibious assault ship, LHA 10. The agreement involves two separately numbered contracts that will be awarded simultaneously. You probably saw the announcement come out at five o’clock the first ship, LPD 33 is scheduled to deliver in 2031 the LHA and LPD platforms perform a variety of expeditionary warfare missions and are designed to operate independently or as a part of an amphibious Task Force or an amphibious ready group or an expeditionary strike group or Joint Task Force. This amphibious ship, multi ship multi ship procurement demonstrates the Navy’s commitment to maintaining 31 amphibious warships and the prudent use of taxpayer funds.

The use of this multi ship procurement will result in significant savings to the American taxpayer compared to the total anticipated cost of carrying out the program through annual contracts. The estimated program savings is \$901 million across fiscal years, 2024 through fiscal year, 2029 by using this approach, in keeping with the Secretary of Navy's maritime statecraft initiative, this multi billion dollar contract award reflects the innovation to build and sustain our maritime dominance and allows for critical investment and sustainment of our shipbuilding industrial base, helping to ensure stability and jobs for the next decade. Lastly, the use of this multi ship Procurement Agreement for four ships is consistent with the Commandant of the Marine Corps' projected forest structure requirements for amphibious ships."

**Lt. Gen. Eric Austin, Deputy Commandant for Combat Development and Integration**

"Thanks, Mr. Rivers, and thanks to all the folks that are able to dial in for this conversation this evening. And I also, just as a Marine and the requirements officer for the Marine Corps and the combat developer, I just want to thank PEO ships, OPNAV, industry partners and our Congress for getting this over the finish line in terms of the contract award, this is a big deal for our Navy and Marine Corps, our naval expeditionary force. This multi ship procurement award is really fantastic news. The amphibious ready group, Marine Expeditionary we call it the ARG MEU, is the premier force offering for our corps and for our naval expeditionary force, three San Antonio class, LPDs and the America class LHA will provide sea bases for embark forces to provide the nation with the most modern and lethal amphibious warfare capability in history, the multi ship procurement contract enables the Marine Corps obligation to meet the combatant Commander requirements for continuous MEU presence. Our ARG MEUs provide our national leadership with combat credible forces that are persistently forward, that assure allies and partners,

contribute to deterrence that campaign and respond to crisis and support combat operations when required, simply put expeditionary Marine Forces embarked on amphibious warfare ships, facilitate forward presence, make our naval forces stronger, our joint forces more capable and our allies more confident.”

**Below is a statement from Paul Roden, chairman of the Amphibious Warfare Industrial Base Coalition, on occasion of the contract award:**

“Today marks a historic moment for the 650 suppliers across 39 states that comprise the amphibious warship industrial base, as the Navy officially announced the award of a block buy for one LHA and three LPD amphibious warships. This four-ship bundle provides the stability and predictability that our suppliers need to invest in their facilities and, importantly, in their workforce. Even more, the block buy is projected to save U.S. taxpayers nearly \$1 billion. We’ve long advocated for this type of needed investment in our amphibious fleet, and we are deeply grateful to everyone who contributed to making it a reality. From our supporters in Congress, to leaders in the Navy and Marine Corps, and suppliers nationwide that helped emphasize the value of this investment – Thank You.”