

Vatn Systems Unveils New AUV-Torpedo Product Line and Opens Manufacturing Facility



The Skelmir S12 is a lightweight 12.75-inch diameter platform that enables AUV and torpedo missions representing a significant leap in underwater technology, offering unprecedented pricing, flexibility, and performance

The company's new manufacturing facility leverages patent-pending modular design and vertical integration techniques, enabling rapid production at a scale previously unseen in the underwater vehicle market

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PORTSMOUTH, R.I., May 12, 2025 /PRNewswire/ – Vatn Systems, a leading defense technology company building autonomous underwater vehicles (AUVs) for the US military and allies, along with commercial customers, today announced the launch of its new innovative AUV-torpedo product line, the Skelmir S12, and the opening of a state-of-the-art manufacturing facility, which is capable of producing up to 2,000 vehicles annually.

New AUV-Torpedo Product Line Fills Gap in the Market

The 12.75-inch diameter AUV represents a significant leap in underwater technology, offering unprecedented flexibility and performance with the ability to fulfill torpedo and AUV roles in various modular configurations. Uniquely designed to be agnostically deployed from submarines, surface vessels, and aircraft, the vehicle can serve multiple mission profiles including torpedo operations, sensor platforms, and electronic warfare capabilities.

“With the Skelmir S12, we set out to fill a critical market void—creating a vessel that merges the capabilities of a traditional AUV with the agility and performance of a lightweight torpedo for a fraction of the cost,” said Nelson Mills, co-founder and CEO of Vatn Systems. “We’ve created a platform that delivers superior payload capacity, flexible deployment, and unmatched cost-effectiveness compared to existing solutions, and we’re excited to be able to produce these at scale in our new manufacturing facility to fill that gap in the market and meet customer demand starting this summer.”

The Skelmir S12, in its AUV configuration, has successfully completed its first exercise and the first production run has already been sold to government customers, with deliveries expected this year. The torpedo variant will be manufactured and delivered next year.

New Manufacturing Facility Scales Production to an Industry-Leading 2,000+ Vehicles Per Year

The company’s new manufacturing facility leverages patent-pending modular design and vertical integration techniques, enabling rapid production at a scale previously unseen in the underwater vehicle market.

“With current industry standards at about 200 vehicles per year, this facility will enable a strong competitive differentiation for us as we scale production capacity to 2,000+ vehicles annually to meet growing customer demand,” said Brendan Smith, Director of Manufacturing at Vatn Systems. Smith recently joined the team from Boston Dynamics, where he led the scaling of manufacturing operations for multiple robot hardware programs from early stage development to high rate production.

“By leveraging modular design and vertically integrated production, we’re able to reduce lead times, minimize

handoffs, and eliminate many of the inefficiencies common in traditional assembly processes,” Smith added. “This approach gives us tighter control over quality, faster iteration cycles, and the ability to rapidly scale output as demand increases.”

Vatn recently announced a partnership with Palantir that enables the company to digitize its manufacturing process and provide AI-driven insights to accelerate the production of AUVs built in the new facility, which is expected to reach full production capability in July 2025.