

AUSTAL USA Continues Expansion of Mobile Shipyard to Support Submarine Industrial Base



NEWPORT NEWS, Va. (May 15, 2024) The Los Angeles-class attack submarine USS Toledo (SSN 769) is seen at Norfolk Naval Shipyard, May 15, 2024. (U.S. Navy photo by Shelby West)
From Austal USA, Sept. 23, 2024

MOBILE, Ala. – Austal USA has been awarded a \$450 million contract by General Dynamics Electric Boat for the expansion of production capacity in support of the U.S. Navy submarine industrial base (SIB). This award will enable Austal USA to expand infrastructure in its Mobile, Ala. shipyard to support the U.S. Navy goal of delivering one Columbia-class and two Virginia-class submarines annually.

The award provides funding for Austal USA to design, build, and outfit a new module fabrication and outfitting facility in its Mobile shipyard. Construction of the new building will start this fall and be complete in 2026. When fully operational, the building will support approximately 1,000 new jobs at Austal USA and provide capability to fabricate, outfit, and transport submarine components.

This award follows the July 2024 groundbreaking for a 192,000 square-foot final new assembly bay designed to support construction of large steel ships for the U.S. Navy and U.S. Coast Guard. Together, these projects represent over \$700 million in facility expansion in the Mobile shipyard. When both projects are operational they will bring 2,000 new jobs to the region.

“This contract award further solidifies Austal USA’s strong industrial partnership with General Dynamics Electric Boat to increase capacity in the submarine industrial base,” stated Austal USA President Michelle Kruger. “I’m proud of how the Austal USA team has responded to the call to accelerate production of Columbia and Virginia-class submarines, which is critical to our Nation’s defense.”

The construction of these two buildings continues Austal USA’s transformation into a shipyard with a diverse and sustainable portfolio. The projects increase capacity and capability enabling Austal USA to support a wider range of customer requirements.

“This award represents another significant milestone in the transformation of our Mobile facility to meet the diverse needs of our Navy and Coast Guard customers,” commented Larry Ryder, Austal USA Vice President of Business Development and External Affairs. “Since we broke ground for our steel panel line in 2021 we have continuously worked to grow the capacity

and capability of our Mobile shipyard leveraging our highly skilled workforce.”

The new submarine manufacturing building will provide 369,600 square feet of production capacity on eight and a half acres, significantly expanding the current submarine module manufacturing capacity in the Mobile facility. The building will be designed and built to leverage Industry 4.0 technologies, including extended reality, cloud computing, horizontal and vertical integration, big data analysis, autonomous robots, and simulation with a digital twin. The project will include a material storage area, machine shop, and assembly area and waterfront improvements to support the transport of complete modules by barge.

“This announcement further solidifies Austal USA’s commitment to the Mobile region and underscores their confidence in our highly skilled workforce,” said Mobile Mayor Sandy Stimpson. “This expansion will bring 1,000 jobs to the area and take advanced manufacturing opportunities to the next level for our citizens and the City of Mobile. We are excited to see Austal USA’s future success and their continued support of U.S. naval defense.”

News of this award follows several recent announcements regarding major milestone achievements at Austal USA. In August the company celebrated start of construction on the Coast Guard’s Heritage-class Offshore Patrol Cutter, USCG Pickering (OPC 919), and, a couple of weeks ago, the laying of the keel for the final Navy Expeditionary Fast Transport vessel, Lansing (EPF 16), being built by Austal USA. These milestone achievements, coupled with the successful startup of Austal USA’s new steel panel line in mid-2022, are all signs of a bright future for the maritime industry along the Alabama Gulf Coast.