DoD to Send $22M to Rolls-Royce to Strengthen Shipbuilding Industrial Base

ARLINGTON, Va. — As part of the national response to COVID-19, the Defense Department entered into a $22 million agreement with Rolls-Royce to maintain, protect and expand critical domestic productive capacity for propellers essential to U.S. Navy shipbuilding programs, the department said in a Jul 17 release. These projects will begin in July 2020 and help meet increasing demand across the vitally important shipbuilding sector of the defense industrial base.

Using funds authorized and appropriated under the CARES Act, this DPA Title III investment will protect and create jobs in the Gulf Coast region hit hard by the COVID-19 pandemic and ensure critical capabilities are retained in support of U.S. Navy operational readiness.

Rolls-Royce intends to expand its existing facility in Pascagoula, Mississippi, to install a number of state-of-the-art machine tools to support production of propellers for all shipbuilding programs, reduce production risks and increase throughput. These investments will have long-term benefits for the U.S. Navy and the Gulf Coast region.

Over the next 36 months, the $22 million government investment will sustain and expand critical domestic industrial base capability for propeller machining capacity. The Rolls-Royce Foundry will continue to be one of only two facilities capable of supplying the U.S. Navy with this capacity.

The Rolls-Royce Foundry in Pascagoula is the principal place of performance.