

# Fairbanks Morse Defense Awarded \$100M Contract to Accelerate Global Submarine Availability



BELOIT, Wis. – October 27, 2026 – Fairbanks Morse Defense (FMD), a portfolio company of Arcline Investment Management, was awarded a \$99.09 million contract to ensure the availability of U.S. attack submarines (SSNs) and ballistic missile submarines (SSBNs) into the 2030s by enacting critical life extension services. Under a Naval Sea Systems Command (NAVSEA) contract, FMD will provide repair, parts and labor through 2030 for Emergency Diesel Generator (EDG) overhauls on six nuclear submarines.

This follow-on, sole-source award comes as the U.S. Navy seeks to secure its global sea-based deterrent against near-peer competitors, Russia and China. The contract work is part of a mitigation strategy developed by the Navy to extend the

service life of Ohio- and Los Angeles-class submarines by up to 14 years by working with OEMs to overhaul critical systems.

“This contract is part of the ongoing investment in undersea power projection that we have seen not only from the United States and our friends in Europe, Australia and Canada, but also from Russia and China, who are actively growing and modernizing their submarine fleets,” said Keith Haasl, FMD President of Services and Technology. “Because the timely delivery of critical components dictates fleet availability, we are moving quickly to scale our capabilities. Our work with the Navy actively demonstrates principles of rapid submarine maintenance and overhaul that we can share with allies, so we can ensure operationally ready submarines faster.”

The current contract supports completion of multiple EDG overhauls per year through 2030. FMD will employ its robotic welding platform for improved precision and speed. Robotic welding has proven to reduce manual welding times by up to two-thirds. To further accelerate timelines, FMD is applying the Pit Stop methodology to shrink depot maintenance periods from months to weeks. Inspired by NASCAR and Formula One, and co-developed with the U.S. Navy, Pit Stop eliminates “open and inspect” bottlenecks by pre-staging OEM parts needed for routine overhauls, driving a continuous cycle of component refurbishment.

FMD’s use of robotics, automation and the Pit Stop methodology for critical systems offers a model for U.S. and allied navies to apply broadly to reduce depot-level maintenance delays and improve parts availability. Fulfillment of the contract effectively addresses the geopolitical risk of a post-2029 submarine deficit resulting from scheduled decommissionings and delays in new construction of Columbia-and Virginia-class vessels.

FMD has successfully completed EDG overhauls on two Ohio-class

and one Los Angeles-class submarine under a previous NAVSEA contract. As a trusted original equipment manufacturer of the power systems that safeguard submarine operations, FMD anticipates future opportunities to support the Navy's submarine service life extension programs to secure the undersea deterrent throughout the next decade.

*From Fairbanks Morse Defense, Oct. 27, 2026*