Fairbanks Morse Defense to Acquire Rolls-Royce Naval Propulsors & Handling Business



A rendering of a marine handling system from Rolls-Royce's Naval Propulsors and Handling business, which will be acquired by Fairbanks Morse Defense. *Fairbanks Morse Defense*

BELOIT, Wisconsin – Fairbanks Morse Defense, a portfolio company of Arcline Investment Management, has entered into an agreement with Rolls-Royce to acquire its Naval Propulsors and Handling business. The acquisition will include a range of propellers and waterjets for naval applications, as well as marine handling systems, which enable the deployment and recovery of manned and unmanned craft, and other cargo, from naval vessels.

"When you look at the 150-year history of Fairbanks Morse Defense, you will find a handful of distinctive moments that completely transformed this company. We believe the

acquisition of Rolls-Royce naval propulsors and handling businesses will become one of those moments," said George Whittier, CEO of Fairbanks Morse Defense. "The way that our products and services complement each other is unmatched in the defense industrial base. Combining our capabilities allows Fairbanks Morse Defense to substantially increase what we offer to our U.S. maritime defense customers while also offering our systems and components solutions to Rolls-Royce's global customer base."

The acquisition will add the following to the Fairbanks Morse Defense portfolio:

- Rolls-Royce Pascagoula, Mississippi Facility – Pascagoula is a fully integrated marine propeller and waterjet manufacturing campus that is responsible for producing controllable pitch propeller blades and hub body castings, large fixed-pitch propellers, and waterjets for the U.S. Navy. It is the country's only privately owned foundry that is qualified to cast propellers for the U.S. Navy's surface and submarine fleet, making it a United States National Asset.

- Rolls-Royce Walpole, Massachusetts Facility – For over 50 years, the Rolls-Royce Walpole campus has delivered critical ship propulsor systems and aftermarket services for the U.S. Navy and Coast Guard and other international navies, including controllable pitch propellers, fixed propellers, and waterjets.

- Rolls-Royce Peterborough, Ontario Canada Facility – The Centre of Excellence for Naval Handling in Peterborough, Ontario supports the design and manufacture of handling systems, launch and recovery systems, and undersea sensors and systems for navies across the globe. Its

products include the next-generation Mission Bay Handling System for the Global Combat Ship program, a frigate program for the UK Royal Navy, Royal Canadian Navy, and Royal Australian Navy.

Rolls-Royce Naval-Marine propellers can be found on all the U.S. aircraft carriers currently in service. They are also used on U.S. Navy fleet supports, amphibious ships, surface combatants, submarines and more, as well as on U.S. Coast Guard vessels. Rolls-Royce handling systems are found on many of the U.S. Navy's surface combatants.

"Rolls-Royce Naval Propulsors & Handling is an industry leader and trusted supplier to navies around the world. We are pleased to collaborate with Fairbanks Morse Defense, who recognizes the value of this business and the outstanding opportunities for its strong future," said Adam Riddle, president – Defense and chairman and CEO of Rolls-Royce North America. "We believe this transaction represents the best outcome for the business, its people, and the military customers they serve."

Fairbanks Morse Defense has built a diverse portfolio that now includes engines, electrical hardware, motors, valves, cranes, davit systems, fans, fittings, and water treatment solutions. The company has also advanced its technology offerings with AI, digital defense, telerobotics, additive manufacturing, smart engineering, uncrewed mission management, extended reality, and remote collaboration tools.