

HDUSA Selected by TOTE Services for LSM Construction Contract in Philadelphia



ARLINGTON, Va. – [Hanwha Defense USA](#) (HDUSA) is the first shipbuilder selected by TOTE Services, a leading maritime services company specializing in vessel construction management, to build a Medium Landing Ship (LSM) for the U.S. Navy and Marine Corps under TOTE Services' Vessel Construction Manager (VCM) contract.

The selection marks HDUSA's first contract to build ships for the U.S. Navy and covers construction of one LSM, valued at \$269 million, at Hanwha Philly Shipyard, with options for three additional vessels.

"Since acquiring Philly Shipyard in 2024, Hanwha has made significant investments in its workforce and technology to pave the way to build ships for the U.S. Navy and other federal customers," said HDUSA President & CEO Michael Coulter. "PAE (Portfolio Acquisition Executive) Maritime has made it clear this program is a priority for the U.S. Navy and

Marine Corps, and Hanwha looks forward to working with TOTE Services to ensure an on-time and on-budget delivery.”

“This award shows the speed at which the VCM model can move from RFP to contract,” said Jeff Dixon, President of TOTE Services. “Through a competitive process, we secured strong terms that benefit the government, along with build positions that allow construction to start in the fourth quarter of 2027. We appreciate PAE Maritime’s commitment to the VCM acquisition model and commend Navy leadership in rethinking how it delivers ships to the fleet. PAE Maritime has challenged the status quo and is removing longstanding barriers to execution. We are proud to support the Navy’s efforts to deliver critical capability faster and more efficiently.”

“Since early this year, HDUSA personnel have been in Philadelphia working to ensure the shipyard is ready for naval work,” said HDUSA Senior Vice President of Program Management Tim Glinatsis. “Hanwha Philly Shipyard has already built and delivered four National Security Multi-Mission Vessels under the VCM model with TOTE Services, and we will leverage that experience to deliver the LSM to the U.S. Navy and Marine Corps.”

This week, HDUSA [announced](#) it is in the process of acquiring a controlling stake in [Hanwha Philly Shipyard](#).

TOTE Services’ [\\$2.2 billion VCM contract](#) supports the Navy and Marine Corps’ planned 35-ship LSM fleet. The program’s first vessel is expected to be delivered in 2030.

From Hanwha Defense, Oct. 30, 2026