

# Navy Awards Austal USA \$144 Million Contract for T-ATS Ship



A rendering of the Navajo-class Towing, Salvage and Rescue Ship (T-ATS). *AUSTAL USA*

MOBILE, Ala. – The U.S. Navy awarded Austal USA a \$144 million two-ship Towing, Salvage, and Rescue Ship (T-ATS) detailed design and construction contract Oct. 5, the company said in an Oct. 6 release.

This contract award marks the first steel new ship construction program for the company. Austal USA will utilize its proven ship manufacturing processes and innovative methods that incorporate lean manufacturing principles, modular construction, and moving assembly lines, all housed under the company's new state-of-the-art enclosed steel production facility set to open in April.

“The Austal USA team is excited to get to work on this program and leverage our new steel manufacturing line to support the U.S. Navy's and U.S. Coast Guard's requirements for steel ships,” Austal USA President Rusty Murdaugh said. “Our consistent on-budget and on-schedule delivery of quality ships continues to lead the industry. Our highly skilled workforce prides itself on maintaining the excellence our customers have come to know and expect from Austal.”

This award follows the Navy's \$3.6 million T-ATS functional design contract awarded to Austal USA in June.

T-ATS will provide ocean-going tug, salvage, and rescue capabilities to support U.S. fleet operations and will be a multi mission common hull platform capable of towing heavy ships. These ships will be able to support current missions,

including oil spill response, humanitarian assistance, and wide area search and surveillance. The platform also enables future capability initiatives like modular payloads with hotel services and appropriate interfaces.

Austal USA broke ground on its \$100 million steel manufacturing facility in March 2020. The line will be ready to cut steel in April.

The T-ATS award is one of several steel shipbuilding programs the company is pursuing as it diversifies its capabilities. Austal USA previously announced it submitted a bid to build the U.S. Coast Guard's Offshore Patrol Cutter and continues to execute a Light Amphibious Warship concept studies and preliminary design contract for the Navy and Marine Corps. Austal's new steel line and facility expansion also positions it well to be the follow-on frigate yard for the U.S. Navy.