

Navy Invests \$448M in AI and Autonomy to Accelerate Shipbuilding

[Release From SECNAV Public Affairs](#)

Secretary of the Navy John Phelan today announced a \$448 million strategic investment in the Shipbuilding Operating System (Ship OS) to accelerate the adoption of artificial intelligence and autonomy technologies across the industrial base.

The announcement was made during the first Department of the Navy Rapid Capabilities Office Industry Day where Phelan was joined by Palantir Chief Executive Officer, Alex Karp. Ship OS will leverage Palantir's software to bring modern best practices to the complex, data heavy environment of Navy shipbuilding.

"This investment provides the resources our shipbuilders, shipyards, and suppliers need to modernize their operations and succeed in meeting our nation's defense requirements," Phelan said. "By enabling industry to adopt AI and autonomy tools at scale, we're helping the shipbuilding industry improve schedules, increase capacity, and reduce costs. This is about doing business smarter and building the industrial capability our Navy and nation require."

The initiative, managed by the Maritime Industrial Base (MIB) Program in collaboration with Naval Sea Systems Command (NAVSEA), will aggregate data from enterprise resource planning systems, legacy databases, and operational sources to identify bottlenecks, streamline engineering workflows, and support proactive risk mitigation, providing a unified, data-driven approach to production management that enables faster, more informed decisions.

During pilot deployments, these AI-powered capabilities demonstrated transformative results. At General Dynamics Electric Boat, submarine schedule planning was reduced from 160 manual hours to under 10 minutes, while Portsmouth Naval Shipyard cut material review times from weeks to under one hour. These early outcomes demonstrate that integrating AI and autonomy directly into shipbuilding operations can dramatically improve efficiency, accuracy, and output.

The initial investment will focus on Submarine Industrial Base shipbuilders, shipyards, and critical suppliers. The expansion beyond the Submarine Industrial Base will be systematic and informed by lessons learned, with the Navy validating approaches and developing proven implementation strategies that can be adapted for surface ship programs.

This initiative is designed to deliver measurable cost savings over time through improved schedules, reduced delays, and increased production efficiency, with productivity gains offsetting the initial investment while establishing a more capable and resilient industrial base.

The Ship OS launch marks a critical milestone in the Navy's broader effort to revitalize the maritime industrial base and foster innovation.