

Philly Shipyard Delivers the First National Security Multi-Mission Vessel (NSMV), Empire State



[Release from TOTE Group and Philly Shipyard](#)

PHILADELPHIA – September 8, 2023 –Philly Shipyard, Inc. (“Philly Shipyard”), the sole operating subsidiary of Philly Shipyard ASA (Oslo: PHLV), today delivered the *Empire State*, the first of five new purpose-built, modern training vessels for America’s state maritime academies. The U.S. Department of Transportation’s Maritime Administration (MARAD) new vessel

program – known as National Security Multi-Mission Vessels (NSMV) – was designed to provide world-class training for America’s future mariners and to support humanitarian assistance and disaster relief missions in times of need. This first vessel, *Empire State*, was delivered to MARAD and will serve SUNY Maritime College.

“We are beyond proud to deliver the *Empire State* today, our first government newbuild in the history of Philly Shipyard,” said Steinar Nerbovik, President & CEO of Philly Shipyard. “We are honored to be trusted with this important project, and on behalf of all of our skilled workers, we are confident that the *Empire State* will provide a safe, reliable and state-of-the-art training platform for generations of future mariners.”

Philly Shipyard was awarded the contract to build the NSMVs by TOTE Services, LLC (“TOTE Services”), a U.S.-based company that was hired by MARAD to oversee the construction of the training vessels as the Vessel Construction Manager (VCM). The NSMV Program is the first government sponsored ship building program to utilize the VCM model. This model places the responsibility for the selection and oversight of the shipyard on a government contractor that utilizes commercial best practices to manage the project.

The next training vessel, NSMV II, destined for the Massachusetts Maritime Academy, is scheduled to be delivered in 2024. Meanwhile, the keel laying for NSMV III (Maine Maritime Academy) and steel cutting for NSMV IV (Texas A&M Maritime Academy) were recently completed. Construction of NSMV V (California Maritime Academy) will commence later this year with all vessels to be delivered by 2026.

“Today’s delivery of the *Empire State* is a historic moment for the American maritime industry made possible by the U.S. Government’s investments in our nation’s industrial base,” said TOTE Services President Jeff Dixon. “These investments

are on full display as we look to build the next generation of domestic mariner training ships more cost effectively – and on schedule – using commercial innovation and best practices. We must also give credit to the dedicated and skilled workers at Philly Shipyard, whose tireless efforts in the face of unprecedented challenges helped make this milestone possible.”

The NSMV program is an important investment in America’s shipbuilding industry, which supports nearly 400,000 U.S. jobs. Each NSMV will feature numerous instructional spaces, a full training bridge, and accommodations for up to 600 cadets to train in a first-rate maritime academic environment at sea. State maritime academies graduate officers who manage vessels that help keep cargoes and our economy moving. Many of these merchant mariners also support U.S. national security by crewing military sealift vessels.

Today’s delivery of the *Empire State* marks the delivery of the first government ship built using the VCM contract model. This innovative approach enables shipyards to apply commercial best practices for design and construction to government vessels. There is growing interest in the VCM contract model and its potential applicability to government shipbuilding programs to reduce costs, accelerate delivery times, and build more vessels.

About Philly Shipyard