Navy OKs contract to build 2 more littoral combat ships in Marinette

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The U.S. Navy's first littoral combat ship, USS Freedom. / U.S. Navy photo

The U.S. Navy has issued a contract to Lockheed Martin to built two more littoral combat ships at Marinette Marine Corp. in Marinette, allowing the shipbuilder to add 200 more jobs.

The service is allocating \$698.9 million for the purchase of the pair of ships, the future USS Indianapolis and another vessel that has yet to be named, Lockheed Martin said in a press release.

The pair of ships are part of a larger 10-ship contract approved in December 2010. These two vessels are the seventh and eighth in that contract. Marinette Marine has five of the ships under construction and work on another is expected to start later this year.

Austal USA, which is building a different version of the ship in Alabama, was awarded a similar contract for 10 ships.

Initial plans called for the Navy to buy more than 50 of the ships over the coming decades, but in recent Department of Defense budget proposals, the number could be cut to 32—20 fewer than planned.

"We're standing by as the DoD and Navy are working through the acquisition strategy, what they're looking at, the alternatives as far as capabilities they may be interested in," Joe North, vice president of Littoral Ship

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Systems with Lockheed Martin, said in a telephone news conference Tuesday. "We believe we have quite a flexible design and we have a solid technical baseline that allows us to adapt to whatever the needs may be, if there are changes in what they are looking for."

Defense officials have questioned having the ships making up a sizable portion of the Navy's fleet and have suggested the vessels may get another look in terms of design.

"I've directed the Navy to consider a completely new design, existing ship designs, and a modified LCS," Secretary of Defense Chuck Hagel said earlier this month. "These proposals are due to me later this year in time to inform next year's budget submission."

North said the reduced number, 32, does not include the two lead ships in the class, bringing the total number of littoral combat ships to 34 under the current, proposed acquisition plan.

The \$698.9 million for the two most recent ships is part of the fiscal year 2014 budget. The Department of Defense also awarded money for two ships built by Austal, for a total of four vessels in the 2014 budget.

Marinette Marine, owned by Italian shipbuilder Fincantieri, invested more than \$74 million in improvements to the shipyard, largely to support the LCS program. Including contractors, about 2,000 people work at the shipyard.

The latest contract award "will allow us to increase the employment levels ... we're looking to bring on another 100 skilled laborers," Chuck Goddard, president and CEO of Marinette Marine, said during the phone conference. "We also reached an agreement with the union to add a helper class, and this allows us to hire another 100 entry-level folks that have some basic mechanical aptitude"

Lockheed Martin has delivered two of the ships to the Navy, the USS Freedom and USS Fort Worth.