

## Press Release

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## **DDG 113 Construction Contract Awarded**

WASHINGTON – Today, the Navy awarded a detail design and construction contract to Huntington Ingalls Industries for DDG 113, the first ship to be procured as part of the DDG 51 class program continuation.

Because there is a forthcoming competitive solicitation for additional DDG 51 class ships, the contract award amount of DDG 113 is considered source selection information and will not be made public at this time. The government will release the total awarded contract amount for this contract when the competitive contract(s) are awarded.

DDG 113, the 63<sup>rd</sup> ship of the class, will be built in Pascagoula, Miss.

This contract award continues previous efforts for the detail design for this ship, which is now nearly complete. The Navy has also used advance procurement funds to buy down risk to the supplier base and most contracts for major ship systems have been awarded.

"The maturity of the DDG 51 program lends itself to a seamless restart of production on this 63rd ship of the class, which is critical to avoiding restart cost impacts and ensuring an affordable program going forward," said Assistant Secretary of the Navy for Research, Development and Acquisition Sean Stackley. "To further our objectives for cost control and affordability, the Navy is closely managing requirements and design while returning to competition between our two destroyer shipbuilders for future DDG 51 awards."

The Navy will now conduct the planned procurement of DDG 114-116 using a limited competition between the current DDG shipbuilders in order to generate competitive pricing.

The Naval Sea Systems Command issued a request for proposals to Huntington Ingalls Industries Inc. (HII) and General Dynamics Bath Iron Works (BIW) for the construction of DDG 51 class guided-missile destroyers and associated supplies and services on June 6, 2011. This solicitation will be a limited competition between HII and BIW.

The Navy is committed to the DDG 51 class shipbuilding program and intends to procure these ships through an acquisition strategy that leverages limited competition, fixed price contracting and stability in order to meet the Defense Department's overarching objectives of performance and affordability.

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