

# THE STATE OF THE AMPHIBIOUS WARSHIP INDUSTRIAL BASE AND SUPPLY CHAIN



Representing a supply-chain of over 600 companies across the U.S. that provide parts and services for amphibious warships (LPDs and LHAs), the Amphibious Warship Industrial Base Coalition (AWIBC) conducted an analysis on the health, challenges, and future of the industrial base.\*

## KEY TAKEAWAY

**Building LPDs at a maximum of 2-year intervals would have an overall positive impact on our industrial base; however, extended LPD build intervals in excess of 2 years would have a significantly harmful impact on the supply chain of over 600 suppliers.**

## INDUSTRIAL BASE IMPACT

**\$1.8B** WORTH OF WORK

**38** STATES

**226** CONGRESSIONAL DISTRICTS

\*Survey administered to 90 suppliers between January 20–February 10, 2023

## FINDINGS: Serious Concerns For Supply Chain Companies



### INFLATION

Increasing costs for materials



### FLUCTUATIONS

In demand for new ships



### DIFFICULTY

Hiring and retaining qualified workers



### CHALLENGES

Supply-chain disruptions

## FINDINGS: Negative Effects of Extended Build Intervals

**Suppliers Say That LHA Intervals More Than Four Years Would Negatively Impact Their Business By:**

- 62%** Significantly increasing the cost of products and services
- 51%** Creating workforce reductions
- 34%** Contributing to loss of sole-source/single-source suppliers
- 38%** Creating unpredictable or unidentifiable negative impacts
- 9%** Causing suppliers to leave the business altogether

**Multi-Ship Purchases & Advanced Funding are Critical, Injecting Predictability & Stability**

**96%** of suppliers say multi-ship purchases—and the contracts that follow—are important to the health and future of their company

### Ways to Support the Supply Chain

**77%** of suppliers want to inject predictability/stability via commitments to multi-ship/multi-year procurement strategies.

**64%** of suppliers say provide advanced funding earlier to account for increased material lead-times and meet required in-yard dates.

The highly skilled and essential workforce of the U.S. Navy's shipbuilding industrial base continues to deliver while facing the many obstacles described here. **While there is optimism on the future of the industry, suppliers need Congress and the Biden Administration to maintain their commitment to a 355-ship Navy and amphib programs.**

**TO LEARN MORE, VISIT [AMPHIBIOUSWARSHIP.ORG](https://amphibiouswarship.org)**