



**Contacts:** Christopher B. Smith  
314-443-0832 phone  
christopher.smith@toteresources.com

Kelly Whitaker  
609-304-7982 phone  
kelly.whitaker@phillyshipyard.com

## PRESS RELEASE

### **National Security Multi-Mission Vessel Achieves First Construction Milestone with Steel Cutting Ceremony**

**Philadelphia, Dec. 15, 2020** – TOTE Services, LLC, (“TOTE Services”) and Philly Shipyard, Inc., (“Philly Shipyard”) today began a new era in maritime education with the cutting of steel for the new National Security Multi-Mission Vessel (NSMV) at Philly Shipyard. This is the initial major construction milestone for the first purpose-built, state-of-the-art training vessel for America’s state maritime academies. In addition to providing world-class training for America’s future mariners, the NSMV will be available to support humanitarian assistance and disaster relief missions.

A video of the steel cutting can be found [here](#).

“This new state-of-the-art modern school training ship will be a tremendous addition to the U. S. Flag fleet, be available to respond to disaster relief efforts, and support about 1,200 jobs in Philly Shipyard,” said U.S. Secretary of Transportation Elaine L. Chao.

Construction of the NSMV will help recapitalize our nation’s maritime training fleet, strengthen America’s industrial base and directly support more than 1,200 shipyard jobs in Philadelphia, Pennsylvania.

“For more than a decade, MARAD has been working to make the NSMV a reality for America’s state maritime academy cadets who deserve state-of-the-art training ships,” added MARAD Administrator Mark H. Buzby. “Thanks to the strong bipartisan support that the NSMV has received in Congress and the leadership of Secretary Chao, this program will further advance excellence in American maritime education and reignite the jobs engine that is America’s shipyards.”

In May 2019, MARAD awarded TOTE Services, LLC, (TOTE Services), an industry leader in ship management, marine operations and vessel services, a contract to be the Vessel Construction Manager (VCM) for the NSMV program. This contract is an innovative approach to federal shipbuilding where the government benefits from commercial best practices for ship design and construction.

In April 2020, TOTE Services awarded Philly Shipyard, Inc., a leading shipyard in the United States, a contract to construct up to five NSMVs.

“TOTE Services is proud to have been awarded a contract by MARAD to be the vessel construction manager for this new, state-of-the-art training ship that will help provide qualified officers to support the domestic maritime industry,” said TOTE Services President Jeff Dixon. “Each of us at TOTE Services is thrilled to be part of this historic investment in the U.S. maritime industry, and are working closely with MARAD and Philly Shipyard to advance this new class of vessel built by union labor in a U.S. shipyard with U.S.-made steel and U.S.-made engines.”

TOTE Services is working with its design partners – Glasten, Inc., Philly Shipyard, and Philly Shipyard’s subcontractors, including the design team at DSEC – to deliver the first NSMV in early 2023.

Steinar Nerbovik, Philly Shipyard President and CEO said: “This is a tremendous honor and recognition of our history of building high quality ships over the last 17 years. This project begins a new chapter in our history, a new customer and the first in series, which is a challenge we are eager to meet. I am confident that our workforce will deliver ships that the state academy cadets will be proud to sail for many years to come.”

The NSMV program is an important investment in the U.S. shipbuilding industry, which supports nearly 400,000 American jobs.

As part of the contract, Philly Shipyard will be working with domestic mills to supply steel for the vessels and U.S. manufacturers to provide key ship equipment, including GE Wabtec, a part of GE Transportation, which is manufacturing the engines and generators, GE Transportation for the main generator engine, Cummins USA for the emergency generator set, and Bronswerk for the air conditioning systems.

The NSMV will feature numerous instructional spaces, a full training bridge, and have space for up to 600 cadets to train in a first-rate maritime academic environment at sea. State maritime academies graduate more than half of all new officers each year—the merchant mariners who help keep cargoes and our economy moving. Many also support U.S. national security by crewing military sealift vessels.

In addition to being a state-of-the-art training and educational platform, the NSMV is a highly-functional national asset designed to fulfill numerous roles. Each ship will feature modern hospital facilities, a helicopter pad, and the ability to accommodate up to 1,000 people in times of humanitarian need. Adding to the NSMV’s capability, it will provide needed roll-on/roll-off and container storage capacity for use during disaster relief missions.

TOTE Services has ordered the first two NSMVs and the President’s budget request for Fiscal Year 2021 includes sufficient funding for TOTE Services to order the third ship. Construction of

the first two NSMVs will replace training ships at SUNY Maritime Academy and Massachusetts Maritime Academy, which are both more than 50 years old.

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#### **About TOTE Services**

TOTE Services, LLC (“TOTE Services”) is a leading U.S.-based ship management company that skillfully and expertly provides crewing and technical services to meet the needs of commercial, privately owned and U.S. Government vessels. Since 2015, TOTE Services has overseen construction and management of the world’s first LNG powered container ships, activated U.S. training ships to support disaster relief and managed many MARAD vessels. TOTE Services, along with TOTE Maritime Alaska, LLC and TOTE Maritime Puerto Rico, LLC, comprise the TOTE group of companies. The TOTE group is part of the Saltchuk family of companies.

[www.toteservices.com](http://www.toteservices.com)

#### **About Philly Shipyard**

Philly Shipyard, Inc. (PSI) is a leading U.S. shipbuilder that is presently pursuing a mix of commercial and government work. It possesses a state-of-the-art shipbuilding facility and has earned a reputation as a preferred provider of oceangoing merchant vessels with a track record of delivering quality ships, having delivered around 50% of all large ocean-going Jones Act commercial ships since 2000. PSI is the sole operating subsidiary of Philly Shipyard ASA. Philly Shipyard ASA is listed on the Oslo Stock Exchange (Oslo: PHLI) and is majority-owned by Aker Capital AS, which in turn is wholly-owned by Aker ASA. Aker is a Norwegian industrial investment company that creates value through active ownership. Aker's investment portfolio is concentrated on key Norwegian industries that are international in scope: oil and gas, fisheries and biotechnology, and marine assets. Aker's industrial holdings comprise ownership interests in Aker Solutions, Kvaerner, Aker BP, Aker BioMarine, Ocean Yield and Akastor. For more information about Philly Shipyard, please visit [www.phillyshipyard.com](http://www.phillyshipyard.com).