Managing the Commercial Impact of the Coronavirus: Update Regarding Corporate Travel Restrictions

Thursday, March 5, 2020

"Caution is appropriate. Preparedness is appropriate. Panic is not." (~ U.S. Surgeon General Dr. Jerome Adams, quoted this week)

The coronavirus (provisionally named SARS-CoV-2, with its disease being named COVID-19) has now been documented in more than 70 countries and territories. More than 90,000 cases have now been documented across the globe, resulting in nearly 3,200 deaths. In the United States, the coronavirus has impacted domestic and foreign travel, as the Centers for Disease Control and Prevention has issued a Warning - Level 3 (Avoid Nonessential Travel) for travel to China, Iran, South Korea and Italy, and has issued an Alert - Level 2 (Practice Enhanced Precautions) for travel to Japan.

Many businesses across the globe have likewise now imposed restrictions on foreign and domestic employee travel, including a number of automotive companies. For
example, Ford Motor Company has restricted non-essential domestic and international business travel until March 27, following the announcement that two of its employees in China have been diagnosed with the coronavirus. Ford has announced that it will evaluate its travel restriction on a weekly basis. Similarly, Fiat Chrysler has also limited all non-essential domestic and international business travel. In the case of both Ford and Fiat Chrysler, any essential travel needs must be approved by a member of their leadership teams. General Motors has restricted travel to China, Italy, Japan, and South Korea. These automakers join a number of professional services firms and banks that have also restricted employee travel.

With China being the world’s second largest economy, these travel restrictions are further evidence that the effect of the coronavirus extends – much like the coronavirus itself – far beyond its borders.

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