Press Release
Mar 20, 2020 | ID: 264515

Volvo Cars Acts To Mitigate Corona Virus Impact

The corona pandemic is now severely affecting Volvo Cars in many ways, in the form of a weakening market, a risk for production disruption as well as concerns for the employees.

The company’s primary focus is the health and safety of all employees. Precautionary measures and travel restrictions have already been taken.

Now, there is a need to further reduce the spread of the virus by going into a period of social distancing. This means production closures, working from home and taking more personal precautions.

The Belgium plant will remain closed until April 5. The Swedish and US plants will be closed between March 26 and April 14.

People working in our offices will generally work from home as of March 26 and working hours will be reduced.

These actions will secure jobs and ensure that Volvo Cars can come back to normal production as soon as it is possible and safe.

Earlier this month Volvo Cars reopened its four manufacturing plants in China after an extended closure period. Today’s showroom traffic is indicating a return to normal in China’s car market which is clearly demonstrating the advantages of being a globally balanced company.

“Our primary concerns are the health of our employees and the future of our business,” said Håkan Samuelsson, chief executive. “With the help of valuable supporting programs put in place by governments and authorities, we have been able to act quickly.”

Volvo Cars is confident that these measures strike the right balance between mitigating the continuing impact of the pandemic and protecting its people and the company’s future.

The Volvo Cars manufacturing plants impacted by the measures announced today are located in Torslanda, Skövde and Olofström (all Sweden), Ghent (Belgium) and South Carolina (United States). The affected office employees work at the company’s headquarters in Gothenburg, Sweden, as well as at the Ghent plant and in its markets.

Volvo Car Group in 2019

For the 2019 financial year, Volvo Car Group recorded an operating profit of 14.3 BSEK (14.2 BSEK in 2018). Revenue over the period amounted to 274.1 BSEK (252.7 BSEK). For the full year 2019, global sales reached a record 705,452 (642,253) cars, an increase of 9.8 per cent versus 2018. The results underline the comprehensive transformation of Volvo Cars’ finances and operations in recent years, positioning the company for its next growth phase.

About Volvo Car Group

Volvo Cars was founded in 1927. Today, it is one of the most well-known and respected premium car brands in the world with sales of 705,452 cars in 2019 in about 100 countries. Volvo Cars has been under the ownership of the Zhejiang Geely Holding since 2010.
The corona pandemic is now severely affecting Volvo Cars in many ways, in the form of a weakening market, a risk for production disruption as well as concerns for the employees. The company’s primary focus is the health and safety of all employees. Precautionary measures and travel restrictions have already been taken.

Now, there is a need to further reduce the spread of the virus by going into a period of social distancing. This means production closures, working from home and taking more personal precautions.

The Belgium plant will remain closed until April 5. The Swedish and US plants will be closed between March 26 and April 14.

People working in our offices will generally work from home as of March 26 and working hours will be reduced.

These actions will secure jobs and ensure that Volvo Cars can come back to normal production as soon as it is possible and safe.

Earlier this month Volvo Cars reopened its four manufacturing plants in China after an extended closure period. Today’s showroom traffic is indicating a return to normal in China’s car market which is clearly demonstrating the advantages of being a globally balanced company.

“Our primary concerns are the health of our employees and the future of our business," said Håkan Samuelsson, chief executive. "With the help of valuable supporting programs put in place by governments and authorities, we have been able to act quickly.”

Volvo Cars is confident that these measures strike the right balance between mitigating the continuing impact of the pandemic and protecting its people and the company’s future.

The Volvo Cars manufacturing plants impacted by the measures announced today are located in Torslanda, Skövde and Olofström (all Sweden), Ghent (Belgium) and South Carolina (United States). The affected office employees work at the company’s headquarters in Gothenburg, Sweden, as well as at the Ghent plant and in its markets.

In 2019, Volvo Cars employed on average approximately 41,500 (41,500) full-time employees. Volvo Cars head office, product development, marketing and administration functions are mainly located in Gothenburg, Sweden. Volvo Cars head office for APAC is located in Shanghai. The company’s main car production plants are located in Gothenburg (Sweden), Ghent (Belgium), South Carolina (US), Chengdu and Daqing (China), while engines are manufactured in Skövde (Sweden) and Zhangjiakou (China) and body components in Olofström (Sweden).

Under its new company purpose, Volvo Cars aims to provide customers with the Freedom to Move in a personal, sustainable and safe way. This purpose is reflected into a number of business ambitions: for example, by the middle of this decade it aims for half of its global sales to be fully electric cars and to generate half of its revenue from its direct consumer business. Volvo Cars is also committed to an ongoing reduction of its carbon footprint, with the ambition to be a climate-neutral company by 2040.

Keywords:
Corporate, Press Releases

Descriptions and facts in this press material relate to Volvo Cars’ international car range. Described features might be optional. Vehicle specifications may vary from one country to another and may be altered without prior notification.