

Earnings Releases and Investor Calls in Light of COVID-19: SEC Chairman and Director of Corporation Finance Issue Joint Public Statement

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04/09/2020

On Wednesday, April 8, 2020, the SEC Chairman, Jay Clayton, and Director of the SEC's Division of Corporation Finance, William Hinman, released a joint public statement emphasizing the importance of disclosures from public companies in light of COVID-19.

As noted in the statement, "In the coming weeks, our public companies will be issuing earnings releases and conducting analyst and investor calls. We urge companies to provide as much information as is practicable regarding their current financial and operating status, as well as their future operational and financial planning." In particular, Chairman Clayton and Director Hinman stressed the importance of robust forward-looking disclosures and noted, amongst other items, that upcoming earnings statements and calls with analysts and investors would not be routine due to challenges associated with producing comprehensive financial and operational reports. They stated, "We encourage companies that respond to our call for forward-looking disclosure to avail themselves of the safe-harbors for such statements and also note that we would not expect good faith attempts to provide appropriately framed forward-looking information to be second guessed by the SEC."

While this joint statement does not represent a formal rule or guidance by the SEC, public companies should review and consider these comments as they prepare their upcoming quarterly earnings releases and plan for their earnings calls with analysts and investors. [Read the full statement](#) by Chairman Clayton and Director Hinman.