

UNITED STATES JUDICIAL PANEL
on
MULTIDISTRICT LITIGATION

**IN RE: AT&T INC. CUSTOMER DATA
SECURITY BREACH LITIGATION**

MDL No. 3114

TRANSFER ORDER

Before the Panel:* Plaintiffs in the two actions on Schedule A (*Spring* and *Claims Holding Group*) assert claims concerning the data breach at issue in the above-captioned MDL alongside claims unrelated to the data breach.¹ On November 26, 2024, the Panel Clerk filed an order conditionally transferring the actions to MDL No. 3114 with simultaneous separation and remand of the non-data breach claims to the Southern District of Florida transferor court under Section 1407(a).²

Plaintiffs move under Panel Rule 7.1 to vacate the conditional transfer order (“CTO”). Defendant AT&T Inc. opposes the motion and supports transfer as provided for in the CTO.

I.

After considering the argument of counsel, we find that the actions involve common questions of fact with the actions transferred to MDL No. 3114, and that transfer under 28 U.S.C. § 1407 will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. In our order establishing this MDL, we held that centralization was warranted for actions concerning “an alleged data security breach announced by AT&T in March 2024 concerning the personal information of over 70 million former and current AT&T customers released on the dark web.”³ See *In re AT&T Inc. Customer Data Sec. Breach Litig.*, 737 F. Supp.

* Judge David C. Norton did not participate in the decision of this matter.

¹ Plaintiffs’ non-data breach claims assert that AT&T charges a “bogus” monthly administrative fee to wireless customers; AT&T unlawfully sells customer geolocation and other private data; and AT&T “unlimited data plans” are limited by data “throttling” practices.

² See *In re AT&T Inc. Customer Data Sec. Breach Litig.*, MDL No. 3114, Conditional Transfer Order (CTO-13) and Simultaneous Separation and Remand of Certain Claims (J.P.M.L. Nov. 26, 2024).

³ The personal information allegedly compromised by the breach was from a 2019 data set and included customer names, addresses, phone numbers, social security numbers, dates of birth, AT&T account numbers, and passcodes. See *In re AT&T Inc. Customer Data Sec. Breach Litig.*, 737 F. Supp. 3d at 1352 n.2.

3d 1350, 1351-52 (J.P.M.L. June 5, 2024). The actions on Schedule A concern the AT&T data breach announced in March 2024 and share common factual questions with the actions in the MDL.

In opposition to transfer, plaintiffs principally argue that federal subject matter jurisdiction is lacking and that transfer is improper while their motions for remand to state court are pending. We are not persuaded by this argument. We have held that such jurisdictional objections generally do not present an impediment to transfer, including in this MDL. *See In re AT&T Inc. Customer Data Sec. Breach Litig.*, MDL No. 3114, Transfer Order at 2 (J.P.M.L. Oct. 4, 2024) (explaining that “remand motions can be presented to and decided by the transferee judge”) (quoting *In re Prudential Ins. Co. of Am. Sales Practices Litig.*, 170 F. Supp. 2d 1346, 1347-48 (J.P.M.L. 2001)); *accord In re Insulin Pricing Litig.*, 709 F. Supp. 3d 1384, 1389 (J.P.M.L. 2023) (“a pending motion for remand to state court is not an impediment to transfer as the parties can present such arguments to the transferee court”). “This is so even where, as here, plaintiffs assert that the removals were patently improper.” *In re Ford Motor Co. DPS6 PowerShift Transmission Prods. Liab. Litig.*, 289 F. Supp. 3d 1350, 1352 (J.P.M.L. 2018).

Plaintiffs also seek an order from the Panel remanding their actions to state court. The Panel does not have the authority to order remand of actions to state court. *See id.* at 1352 (“Section 1407 does not empower the MDL Panel to decide questions going to the jurisdiction or the merits of a case, including issues relating to a motion to remand.”).

II.

We have further determined that the actions should be transferred in their entirety, without separation and remand of the non-data breach claims to the transferor court as originally set forth in the CTO. On February 5, 2025, we considered transfer of similar actions to MDL No. 3114 and decided to discontinue use of separation and remand of non-data breach claims in this litigation due to the potential for inconsistent rulings on plaintiffs’ motions for remand to state court. *See In re AT&T Inc. Customer Data Sec. Breach Litig.*, MDL No. 3114, Transfer Order at 2 (J.P.M.L. Feb. 5, 2025). The concerns we expressed apply equally on this record. We explained:

[W]e see that there is the potential for confusion and inefficiency when, as here, splitting the action between the transferee and transferor districts may result in two courts ruling on the issues bearing on remand to state court. We also are concerned that the parties are not making efforts to ensure that proceedings on these jurisdictional issues are being coordinated between the courts. Thus, on this record, we are not inclined to order simultaneous separation and remand under Section 1407(a) to split the data breach and non-data breach claims in a single action between the transferee court and transferor court. We believe the just and efficient conduct of the litigation is better served by transferring the entire action.

See id.

In response to that order, AT&T argues that the Panel still should order separation and remand of non-data breach claims because the likelihood of competing remand determinations is limited, as AT&T has been working with the transferor courts to ensure that remand orders are issued in appropriate circumstances. This argument is unconvincing. By AT&T’s own account,

there are over twenty substantially similar actions asserting data breach together with non-data breach claims and the number of such actions is growing. The growth in the number of actions and involved judges raises the risk of inefficiency and inconsistency.⁴ Thus, the potential for conflicting rulings on remand to state court remains significant, even though the transferee and transferor court have not yet ruled on a contested remand motion.

The involvement of individualized, case-specific issues in these actions does not negate the benefits of transferring all claims to a single court. The transferee judge can address the non-data breach issues raised by plaintiffs using separate discovery or motion tracks to the extent necessary. *See In re Social Media Adolescent Addiction/Personal Injury Prods. Liab. Litig.*, 637 F. Supp. 3d 1377, 1378 (J.P.M.L. 2022).

IT IS THEREFORE ORDERED that the actions listed on Schedule A are transferred to the Northern District of Texas and, with the consent of that court, assigned to the Honorable Ada E. Brown for coordinated or consolidated pretrial proceedings.

IT IS FURTHER ORDERED that the portion of CTO-13 providing for simultaneous separation and remand of the non-data breach claims is VACATED.

PANEL ON MULTIDISTRICT LITIGATION



Karen K. Caldwell

Chair

Nathaniel M. Gorton
Roger T. Benitez
Madeline Cox Arleo

Matthew F. Kennelly
Dale A. Kimball

⁴ Additionally, AT&T gives no consideration to how splitting an action potentially could complicate a court's jurisdictional analysis – for example, determining the amount in controversy in the action, a threshold issue raised by plaintiffs in the actions on Schedule A and over twenty other plaintiffs asserting similar claims.

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SCHEDULE A

Southern District of Florida

SPRING v. AT&T MOBILITY LLC, C.A. No. 1:24-24061

CLAIMS HOLDING GROUP, LLC v. AT&T MOBILITY LLC, C.A. No. 1:24-24065