# 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 seventeen actions on Schedule A move under Panel Rule 7.1 to vacate the conditional transfer order ("CTO") transferring their actions to the Northern District of Texas for inclusion in MDL No. 3114. Defendant AT&T Mobility LLC opposes the motion and supports transfer but requests simultaneous separation and remand of the non-data breach claims asserted in six actions to the Southern District of Florida transferor court.<sup>1</sup>

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." See In re AT&T Inc. Customer Data Sec. Breach Litig., 737 F. Supp. 3d 1350, 1351-52 (J.P.M.L. 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.

<sup>\*</sup> Judge David C. Norton did not participate in the decision of this matter.

<sup>&</sup>lt;sup>1</sup> The non-data breach claims assert that AT&T charges a "bogus" monthly administrative fee to wireless customers. The actions on Schedule A asserting non-data breach claims are *Regal*, *Alcantara*, and the four actions by plaintiff Claims Holding Group.

<sup>&</sup>lt;sup>2</sup> 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.

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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).<sup>3</sup>

Plaintiffs also assert that that transfer will force them to participate in an MDL in violation of an alleged class action waiver in the AT&T consumer services agreements. This argument misunderstands the nature of the MDL. This MDL, like many others, includes both individual and class-based actions.<sup>4</sup> Transfer does not force plaintiffs to litigate their claims as a class action. In fact, as their briefs acknowledge, they will be provided an opportunity to opt out of the proposed class action settlement currently pending in the MDL.<sup>5</sup>

Plaintiffs further argue that transfer is inefficient because they plan to opt out of the settlement. But settlement approval proceedings remain pending, and if the settlement is not granted final approval, substantial pretrial proceedings will remain. Additionally, the transferee court is in the best position to oversee proceedings in any actions that remain pending after the opt-out period closes and approval proceedings have concluded.

<sup>3</sup> 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.").

<sup>&</sup>lt;sup>4</sup> See In re AT&T Inc., Customer Data Sec. Breach Litig., MDL No. 3114, Order Denying Remand at 3 (J.P.M.L. Apr. 1, 2025) ("Individual actions and putative class actions are routinely centralized in a single MDL where the actions share a common factual core. Here, the pretrial proceedings in all actions concerning the AT&T data breach, including *Phillips*, will overlap, regardless of whether the claims are styled as individual or class claims.").

<sup>&</sup>lt;sup>5</sup> See also Uber Techs., Inc. v. United States Judicial Panel on Multidistrict Litig., 131 F.4th 661, 674 (9th Cir. 2025) ("Under the plain text of Section 1407, the JPML may centralize a case, or decline to do so, notwithstanding any private agreement to the contrary.").

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II.

We have repeatedly held in this docket that actions such as these should be transferred in their entirety, without separation and remand of the non-data breach claims to the transferor court. In February 2025, we discontinued use of Section 1407(a) to separate and remand non-data breach claims because of 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. 6, 2025). The concerns we expressed then apply equally here. 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.

Since then, AT&T has continued to argue that the Panel should order separation and remand of non-data breach claims on the ground that 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 only in appropriate circumstances. We rejected those arguments at our last hearing session<sup>6</sup> and do so again here. By AT&T's own account, there are over twenty substantially similar actions asserting data breach together with non-data breach claims, and that number is growing. When the number of actions and involved judges rises, so does the risk of inefficiency and inconsistency.<sup>7</sup> Thus, the potential for conflicting rulings on remand to state court remains significant, even though the transferee and transferor courts 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.

<sup>&</sup>lt;sup>6</sup> See In re AT&T Inc. Customer Data Sec. Breach Litig., MDL No. 3114, Transfer Order at 2-3 (J.P.M.L. May 30, 2025).

<sup>&</sup>lt;sup>7</sup> 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 the six actions on Schedule A asserting non-data breach claims. *See supra* note 1.

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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.

PANEL ON MULTIDISTRICT LITIGATION

Karen K. Caldwell

Chair

Nathaniel M. Gorton Roger T. Benitez Madeline Cox Arleo Matthew F. Kennelly Dale A. Kimball

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

MDL No. 3114

#### **SCHEDULE A**

### Southern District of Florida

REGAL v. AT&T MOBILITY LLC, C.A. No. 0:25-60417 CLAIMS HOLDING GROUP, LLC v. AT&T MOBILITY LLC, C.A. No. 1:25-20526 CLAIMS HOLDING GROUP, LLC v. AT&T MOBILITY LLC, C.A. No. 1:25-20927 CLAIMS HOLDING GROUP, LLC v. AT&T MOBILITY LLC, C.A. No. 1:25-20930 CLAIMS HOLDING GROUP, LLC v. AT&T MOBILITY LLC, C.A. No. 1:25-20934 ALCANTARA v. AT&T MOBILITY LLC, C.A. No. 1:25-20939 GREELY v. AT&T MOBILITY LLC, C.A. No. 1:25-21404 KARGER REALTY v. AT&T MOBILITY LLC, C.A. No. 1:25-21410 DAVIMOS v. AT&T MOBILITY LLC, C.A. No. 1:25-21415 GARCIA v. AT&T MOBILITY LLC, C.A. No. 1:25-21427 GONZALEZ v. AT&T MOBILITY LLC, C.A. No. 1:25-21435 CISNEROS v. AT&T MOBILITY LLC, C.A. No. 1:25–21436 COREA v. AT&T MOBILITY LLC, C.A. No. 1:25-21438 GONZALEZ v. AT&T MOBILITY LLC, C.A. No. 1:25-21440 MOSCOSO v. AT&T MOBILITY LLC, C.A. No. 1:25-21449 ALAN v. AT&T MOBILITY LLC, C.A. No. 1:25-21450 SURIEL v. AT&T MOBILITY LLC, C.A. No. 1:25-21451