

UNITED STATES JUDICIAL PANEL ON MULTIDISTRICT LITIGATION

In re PowerSchool Holdings, Inc. and PowerSchool Group, LLC

Customer Data Security Breach Litigation

In re PowerSchool Data Breach Litigation · No. MDL No. 3149 · Decided April 18, 2025

SUMMARY

The United States Judicial Panel on Multidistrict Litigation orders centralization of actions arising from the PowerSchool customer data security breach. The Panel transfers the actions listed on Schedule A to the Southern District of California for coordinated or consolidated pretrial proceedings and assigns them to Judge Roger T. Benitez. The order identifies common factual and legal issues involving the breach, data security practices, notification, negligence, breach of contract, and unjust enrichment.

CASE DETAILS

COURT	United States Judicial Panel on Multidistrict Litigation
WRITING FOR THE COURT	Karen K. Caldwell; Nathaniel M. Gorton; Matthew F. Kennelly; David C. Norton; Dale A. Kimball; Madeline Cox Arleo
JURISDICTION	United States Judicial Panel on Multidistrict Litigation
DECIDED	April 18, 2025
DOCKET	MDL No. 3149
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved under 28 U.S.C. § 1407 to centralize 32 related data-breach actions pending in three federal districts, along with additional related actions, for coordinated or consolidated pretrial proceedings.
STANDARD OF REVIEW	The Panel evaluates whether actions involve common questions of fact and whether centralization will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation under 28 U.S.C. § 1407.
PRECEDENTIAL VALUE	MDL transfer order; limited precedential value
PARTIES	Plaintiffs in the Western District of Missouri J.J. action listed on Schedule A v. PowerSchool Holdings, Inc., PowerSchool Group LLC

TOPICS

civil procedure

class actions

commercial litigation

negligence

breach of contract

PRACTICE AREAS

civil procedure

multidistrict litigation

commercial litigation

data security

class actions

QUESTIONS PRESENTED

1. Whether the related actions involve common questions of fact warranting centralization under 28 U.S.C. § 1407.
2. Whether centralization would serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation.
3. Which federal district should serve as the transferee district for coordinated or consolidated pretrial proceedings.

HOLDINGS

1. The actions involve common questions of fact, and centralization is warranted because it will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation.
2. The Southern District of California is an appropriate transferee district for the centralized litigation.

KEY QUOTATIONS

“On the basis of the papers filed and the hearing session held, we find that the actions listed on Schedule A involve common questions of fact, and that centralization in the Southern District of California will serve the convenience of the parties and witnesses and promote the just and efficient conduct of this litigation.” (at 1)

“IT IS THEREFORE ORDERED that actions listed on Schedule A are transferred to the Southern District of California and, with the consent of that court, assigned to the Honorable Roger T. Benitez for coordinated or consolidated pretrial proceedings.” (at 3)

FACTUAL BACKGROUND

The actions arise from unauthorized access to PowerSchool's Student Information System, which schools use to store personal information concerning current and former students and staff. Plaintiffs, including students, guardians, and school staff, seek certification of overlapping nationwide and statewide classes and assert substantially identical claims involving negligence, breach of contract, and unjust enrichment. Discovery is expected to address how and when the breach occurred, the adequacy of PowerSchool's data-security practices, and the timing and sufficiency of notice to affected individuals.

PROCEDURAL HISTORY

The Panel considered the parties' written submissions and held a hearing session. It determined that the actions shared common factual questions and that centralization in the Southern District of California would promote convenience and the just and efficient conduct of the litigation. The Panel transferred the Schedule A actions to

the Southern District of California, with that court's consent, and assigned them to Judge Roger T. Benitez for coordinated or consolidated pretrial proceedings.

DISPOSITION

other

REMAND INSTRUCTIONS

The actions listed on Schedule A were transferred to the Southern District of California and, with that court's consent, assigned to the Honorable Roger T. Benitez for coordinated or consolidated pretrial proceedings.

CASES CITED

- In re StockX Customer Data Sec. Breach Litig., 412 F. Supp. 3d 1363 (J.P.M.L. 2019)
- In re [24]7.AI, Inc., Customer Data Sec. Breach Litig., 338 F. Supp. 3d 1345 (J.P.M.L. 2018)
- In re Hudson's Bay Co. Customer Data Sec. Breach Litig., 326 F. Supp. 3d 1372 (J.P.M.L. 2018)
- In re Best Buy Co., Cal. Song-Beverly Credit Card Act Litig., 804 F. Supp. 2d 1376 (J.P.M.L. 2011)

OPINION

UNITED STATES JUDICIAL PANEL FI LED MULTIDISTRICT LITIGATION CLERK, U.S. DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA BY sf JulieOlsen DEPUTY IN RE: POWERSCHOOL HOLDINGS, INC., AND POWERSCHOOL GROUP, LLC CUSTOMER DATA SECURITY BREACH LITIGATION MDL No. 3149 TRANSFER ORDER Before the Panel:* Plaintiffs in the Western District of Missouri J.J. action listed on Schedule A move under 28 U.S.C. § 1407 to centralize this litigation in the Western District of Missouri.

This litigation consists of 32 actions pending in three districts, as listed on Schedule A. In addition, the parties have informed the Panel of 23 related actions pending in eight districts. Most responding parties support centralization. Defendants PowerSchool Holdings, Inc., and PowerSchool Group LLC (collectively “PowerSchool”), and the responding plaintiffs ☐ ☐ all but six cases support or do not oppose centralization.” There is less agreement on selection of the transferee district.

PowerSchool requests centralization in the Eastern District of California or the Northern District of California. Plaintiffs in more than 30 actions likewise support centralization in those two districts, in the first instance or in the alternative. Other plaintiffs, as their primary or alternative position, request centralization the Western District of Missouri, Southern District of California, Central District of California, Northern District of Illinois, Eastern District of New York, Middle District of North Carolina, or District of Minnesota.

On the basis of the papers filed and the hearing session held, we find that the actions listed on Schedule A involve common questions of fact, and that centralization in the Southern District of California will serve the convenience of the parties and witnesses and promote the just and efficient conduct of this litigation. These actions share factual questions arising from a recent cybersecurity incident involving unauthorized access to PowerSchool's Student Information System software, which schools use to store current and former students' and staff members' * Judge Roger T. Benitez did not participate in the decision of this matter.

One or more Panel members who could be members of the putative classes in this litigation have renounced their participation in these classes and have participated in this decision. ' These and any other related actions are potential tag-along actions. See Panel Rules 1.1(h), 7.1, and 7.2. 2 The six cases are the E.D. California Buack-Shelton, Vargha, Brown, and Greci actions listed on Schedule A, and the potential tag-along actions Joseph v. PowerSchool Holdings, Inc., No. 25-0517 (E.D.

Cal.), and Hisserich v. PowerSchool Group LLC, No. 25-0444 (E.D. Cal.). personal information. Plaintiffs are students, students' guardians, and school staff seeking certification of overlapping nationwide and statewide class actions of individuals affected by the data breach.

The actions involve virtually identical claims for negligence, breach of contract, and unjust enrichment. Discovery in all actions will focus on how and when the breach occurred, the sufficiency of PowerSchool's data security practices, and how and when PowerSchool notified breach victims. Centralization will avoid the possibility of inconsistent pretrial rulings, particularly with respect to class certification.

With a total of 55 cases pending in nine districts, centralization will provide efficiencies and conserve the resources of the parties, witnesses, and courts. Plaintiffs in the Eastern District of California Buack-Shelton, Vargha, Brown, and Greci actions, as well as plaintiffs in the Eastern District of California Joseph and Hisserich related actions, maintain that informal coordination is feasible.

They argue that the 41 Eastern District of California cases will soon be consolidated before a single judge, effectively leaving only fourteen additional cases spread across eight other district courts. They maintain that the Panel previously has declined to centralize in comparable circumstances.³ We are not persuaded that informal coordination is the most efficient route to resolving this litigation.

None of the parties have moved under Section 1404 to transfer the actions to a common district. Moreover, the decisions cited by opponents of centralization are readily distinguishable. In most, motions for transfer via Section 1404 had been filed; in some, such motions already had been granted. Three of the four involved fewer than five actions. See StockX, 412 F. Supp. 3d at 1365

(denying centralization of three actions pending in three districts); [24]7.AI, 338 F. Supp. 3d at 1347 (same); Hudson’s Bay, 326 F. Supp. 3d at 1373 (denying centralization of four actions pending in two districts).

In the lone case where the motion encompassed more than twenty actions, “all responding parties represented that they were amenable to Section 1404(a) transfer in the absence of Section 1407 centralization.” Best Buy, 804 F. Supp. 2d at 1378.

Here, there is no similar assurance that any Section 1404 motions—if filed—will be uncontested. The Southern District of California is an appropriate transferee district for this litigation. A potential tag-along action is pending in the district, and related state court litigation is pending in San Diego Superior Court. Centralization in this district encourages the efficient coordination of state and federal proceedings.

Judge Roger T. Benitez, to whom we assign this MDL, is an experienced jurist well-versed in the nuances of multidistrict litigation. We are confident that he will steer this litigation on a prudent and expeditious course. IT IS THEREFORE ORDERED that actions listed on Schedule A are transferred to the Southern District of California and, with the consent of that court, assigned to the Honorable Roger T. Benitez for coordinated or consolidated pretrial proceedings.

3 See, e.g., In re StockX Customer Data Sec. Breach Litig., 412 F. Supp. 3d 1363 (J.P.M.L. 2019); In re [24]7.AI, Inc., Customer Data Sec. Breach Litig., 338 F. Supp. 3d 1345 (J.P.M.L. 2018); In re Hudson’s Bay Co. Customer Data Sec. Breach Litig., 326 F. Supp. 3d 1372 (J.P.M.L. 2018); In re Best Buy Co., Cal. Song-Beverly Credit Card Act Litig., 804 F. Supp. 2d 1376 (J.P.M.L.

2011). -3- PANEL ON MULTIDISTRICT LITIGATION Karen K. Caldwell Chair | hereby attest and certify on _Apr18. 2025 that the foregoing. document is a full, true and correct copy of the original on file Nathaniel M. Gorton Matthew F, Kennelly in my office and in my legal custody. SSSI David Cc Norton Dale A Kimball Clerk, U.S. District Court Madeline Cox Arleo Southern District of California \WWesnmiea By: s/J.Olsen Qa Deputy IN RE: POWERSCHOOL HOLDINGS, INC., AND POWERSCHOOL GROUP, LLC CUSTOMER DATA SECURITY BREACH LITIGATION MDL No. 3149 SCHEDULE A Eastern District of California BUACK-SHELTON, ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A.

No. 2:25–00093 BAKER v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25–00096 KINNEY v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25–00098 VARGHA v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25–00110 F.C. v. POWERSCHOOL GROUP LLC ET AL., C.A. No. 2:25–00136 GILES v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25–00139 STRELZIN v. POWERSCHOOL GROUP, LLC ET AL., C.A. No. 2:25–00140 A.A. v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A.

No. 2:25-00141 E.H. v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00152 PETTINGER ET AL. v. POWERSCHOOL GROUP LLC ET AL., C.A. No. 2:25-00159 MARTINEZ-TURNBOW v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00165 CROCKRAN v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00171 HABBAL ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00173 MAYFEILD v. POWERSCHOOL GROUP, LLC, ET AL., C.A.

No. 2:25-00203 AREDE v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00204 GRIFFIN v. POWERSCHOOL GROUP LLC, C.A. No. 2:25-00206 WHITE v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00207 GRECI ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00208 LA COUNT ET AL. v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25-00209 KEIGLEY v. POWERSCHOOL GROUP LLC ET AL., C.A.

No. 2:25-00210 CHAMPNEY ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00211 SCHWARTZ v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00230 OKONI v. POWERSCHOOL GROUP, LLC ET AL., C.A. No. 2:25-00231 FLICK ET AL. v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25-00232 FAIRCLOTH v. POWERSCHOOL GROUP LLC ET AL., C.A. No. 2:25-00252 BROWN ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A.

No. 2:25-00256 ZARIF v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25-00259 GRAMELSPACHER v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25-00271 CAMPBELL v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 2:25-00310 Western District of Missouri KRUTSINGER v. POWERSCHOOL HOLDINGS, INC. ET AL., C.A. No. 4:25-00057 J.I. ET AL. v. POWERSCHOOL, C.A. No. 4:25-04006 Eastern District of New York J.B.

ET AL. v. POWERSCHOOL HOLDINGS, INC., C.A. No. 2:25-00327