Oakland County Employees' Retirement System and Oakland County Voluntary Employees' Beneficiary Association v. DexCom, Inc.

COURT: United States District Court for the Southern District of New York
CASE NUMBER: No. 25-cv-09370
CLASS PERIOD: 01/08/2024 - 09/17/2025
CASE LEADERS: Hannah Ross, Gerald H. Silk, Scott R. Foglietta

On November 10, 2025, Bernstein Litowitz Berger & Grossmann LLP ("BLB&G") filed a class action in the U.S. District Court for the Southern District of New York alleging violations of the federal securities laws by DexCom, Inc. ("Dexcom" or the "Company") and certain of the Company's current senior executives (collectively, "Defendants"). The action is brought on behalf of all investors who purchased or otherwise acquired Dexcom common stock between January 8, 2024, and September 17, 2025, inclusive (the "Class Period"). This case is related to a previously filed securities class action pending against Dexcom captioned *Prime v. DexCom, Inc.*, No. 1:25-cv-08912 (S.D.N.Y.) ("*Prime*"), which asserts a class period of July 26, 2024, and September 17, 2025.

BLB&G filed this action on behalf of its clients, Oakland County Employees' Retirement System and Oakland County Voluntary Employees' Beneficiary Association (the "Plaintiffs"), and the case is captioned *Oakland County Employees' Retirement System and Oakland County Voluntary Employees' Beneficiary Association v. DexCom, Inc.*, No. 25-cv-09370 (S.D.N.Y.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. To view the complaint, see the **Case Documents** section of this page.

Dexcom's Alleged Fraud

Dexcom is a medical device company focused on the design and manufacture of continuous glucose monitoring ("CGM") devices, which are used by diabetes patients to monitor their glucose levels. The CGM devices are composed of a small sensor that is inserted under the skin and a connected reusable transmitter, which sends real-time data to a smart device or receiver. Dexcom's latest CGM, the G7, was launched in early 2023 as a purported upgrade over the prior G6 model.

The claims against Dexcom and certain of its executives arise from misrepresentations relating to the accuracy and reliability of the G7 device. Throughout the Class Period, Dexcom repeatedly emphasized the performance of the G7 product and credited this product quality with its success. In truth, the G7 suffers from significant quality issues relating to both the accuracy of the sensor and the sensor's ability to transmit data to the user's chosen receiver or smart device. Some of these issues stem from a change that Dexcom made to the coating of the G7 sensors in December of 2023, without informing the FDA or obtaining the requisite pre-market approval for such a change.

The truth began to emerge on July 25, 2024, when Dexcom announced its second quarter 2024 results, disclosing that it missed its sales target for the quarter by 3% and lowering its revenue guidance for the full year. Plaintiffs' investigation demonstrates that a key driver of this revenue miss was that Dexcom was losing market share because of quality issues with the G7. As a result of this disclosure, the price of Dexcom's shares declined by $45.35 per share, or 42%. Following the July 2024 earnings announcement, Dexcom continued to emphasize the "higher

quality of our product," as a source of competitive advantage, explaining that "[t]he accuracy of Dexcom is tried and true and proven to these patients."

Then, on March 7, 2025, Dexcom revealed that it had received a warning letter from the FDA citing deficiencies in the Company's manufacturing processes and quality management systems. The warning letter also stated that Dexcom was selling "adulterated" CGMs, as the Company had changed a coating on the G7 sensors without proper regulatory clearance. These disclosures caused the price of the Company's shares to decline by $7.12 per share, or 9%.

Then, on September 18, 2025, research firm Hunterbrook Media LLC ("Hunterbrook") published a report detailing accounts of G7 users being hospitalized or dying as a result of incorrect blood glucose readings from their G7 devices. Hunterbrook also analyzed adverse event reports submitted to the FDA's MAUDE database and found that "Dexcom's share of accuracy complaints is 22% more than its market share." In addition, Hunterbrook obtained FDA inspection documents relating to the March 2025 warning letter that revealed that sensors with the new, unapproved, coating performed worse on "every accuracy metric" and that patients using sensors with this coating "may experience differences in accuracy over the 10.5-day sensor wear period." Over the following two trading sessions, the Company's share price declined by $8.99 per share, or 12%.

The filing of this action does not alter the previously established deadline to seek appointment as Lead Plaintiff. Pursuant to the October 27, 2025, notice published in connection with the *Prime* action, under the Private Securities Litigation Reform Act of 1995, investors who purchased Dexcom common stock during the Class Period may, no later than December 26, 2025, seek to be appointed as Lead Plaintiff for the Class. The Court later confirmed the December 26, 2025, deadline. *See Prime*, ECF No. 9 at 2 (stating that "[m]embers of the purported class therefore have until December 26, 2025, to move the Court to serve as lead plaintiffs"). Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at scott.foglietta@blbglaw.com.

Case Documents

- November 10, 2025 - Initial Complaint
- November 10, 2025 - PSLRA Notice