BLB&G Bernstein Litowitz Berger & Grossmann LLP

Michigan Laborers' Pension Fund v. Doximity, Inc.

COURT: United States District Court for the Northern District of California
CASE NUMBER: 26-cv-10529
CLASS PERIOD: 08/08/2024 - 05/13/2026
CASE LEADERS: Hannah Ross, Scott R. Foglietta

On September 16, 2026, Bernstein Litowitz Berger & Grossmann LLP ("BLB&G") filed a class action in the U.S. District Court for the Northern District of California alleging violations of the federal securities laws by Doximity, Inc. ("Doximity" or the "Company") and certain of the Company's current and former senior executives (collectively, "Defendants"). The action is brought on behalf of all investors who purchased or otherwise acquired Doximity common stock between August 8, 2024, and May 13, 2026, inclusive (the "Class Period").

BLB&G filed this action on behalf of its client, Michigan Laborers' Pension Fund, and the case is captioned *Michigan Laborers' Pension Fund v. Doximity, Inc.*, No. 26-cv-10529 (N.D. Cal.). 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.

Doximity's Alleged Fraud

Based in San Francisco, California, Doximity is a digital platform for medical professionals that combines health care news, workflow products, and clinician networking. Doximity is frequently referred to as the "LinkedIn for doctors." Its platform is, with a few exceptions, free to use for its medical professional members. The Company generates most of its revenue by selling marketing subscriptions to its customers that advertise on Doximity's platform, including pharmaceutical companies and hospitals. According to the Company, the vast majority of those ads are placed on Doximity's social-media-like "Newsfeed" platform.

Doximity distinguishes itself from its competitors by describing itself as a "deep engagement" platform. A "deep engagement" is a "click" on an ad or sponsored content to reach the full version of the content, which reflects intent to actually view the entire ad or sponsored content. Doximity marketed its Newsfeed as providing "click" based engagement. In contrast, many of Doximity's competitors are "light engagement" platforms, meaning that they focus on passive advertisements, such as banner ads that appear at the bottom or side of a page and can be easily ignored, ads that conceal portions of the page's content until the user manually finds and clicks the "X" to dismiss them, and cost-efficient email blasts.

Throughout the Class Period, Doximity claimed that the Company's Newsfeed was its "biggest revenue driver." Specifically, Defendants claimed that the Company's growth was "led by our Newsfeed, which is both our most used and most monetized product" and told investors that the Newsfeed was consistently "reach[ing] new highs," with "an all-time record of quarterly active prescribers and double-digit growth in the number of articles read or tapped." In addition, Doximity touted its "deep engagement," assuring investors that Doximity does not "bombard physicians with ads and messages in hopes of getting lucky" and assured investors that "[Doximity does not] have an e-newsletter product."

In truth, Doximity overstated the impact that its Newsfeed had on its revenue growth, and the Company was losing market share to its competitors with more favorable pricing and engagement models. Additionally, notwithstanding its frequent statements to the contrary, Doximity relied heavily on both banner ads and email newsletters as advertising methods.

The truth began to emerge on November 6, 2025, when, despite reporting strong second quarter results, Doximity expressed a degree of caution regarding the outlook for ad spending and implied a slowdown in sales growth in the second half of the 2026 fiscal year, which ended on March 31, 2026. As a result of these disclosures, the price of Doximity common stock declined by $8.29 per share, or 13%.

Then, on February 5, 2026, Doximity lowered its revenue guidance for 2026 full fiscal year, which ended on March 31, 2026, and announced that its sales growth had decelerated while its net income had contracted, which will negatively impact its 2026 fiscal fourth quarter. Following these poor financial results, analysts noted that "uncertainty is lingering. This is not widespread, meaning not all pharma[ceutical] clients are holding back" on their advertising spend. Analysts also began to posit that the reason for Doximity's slowing growth was that the Company was actually losing market share to its competitors. As a result of these disclosures, the price of Doximity common stock declined by $5.59 per share, or 17%.

On May 13, 2026, Doximity missed its already-reduced revenue guidance, and again guided to a much slower pace of growth for its 2027 fiscal year, which ends on March 31, 2027. As a result, several analysts downgraded Doximity stock citing issues specific to Doximity's business, with Freeman Capital Markets describing the news as "a tough pill to swallow" as shares fell to "an all-time low." As a result of these disclosures, the price of Doximity common stock declined by $5.38 per share, or 23%.

If you wish to serve as Lead Plaintiff for the Class, you must file a motion with the Court no later than November 16, 2026, which is the first business day on which the U.S. District Court for the Northern District of California is open that is 60 days after the publication date of September 16, 2026. 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

- September 16, 2026 - Initial Complaint
- September 16, 2026 - PSLRA Notice