

## *In re Plantronics, Inc. Securities Litigation*

**COURT:** United States District Court for the Northern District of California  
**CASE NUMBER:** 19cv07481  
**CLASS PERIOD:** 07/02/2018 - 11/05/2019  
**CASE LEADERS:** Lauren A. Ormsbee  
**CASE TEAM:** Alexander T. Payne

Securities fraud class action filed on behalf of a class of persons and entities who purchased or acquired the securities of Plantronics Inc. ("Plantronics" or "the Company") between July 2, 2018 and November 5, 2019 (the "Class Period"). The action, filed in the United States District Court of the Northern District of California, alleges violations of the federal securities laws – in that the Company misled investors about the amount of sales the company was achieving by engaging in a scheme of channel stuffing.

Plantronics, incorporated in Delaware and headquartered in Santa Cruz, California, designs, manufactures, and markets integrated communications and collaboration solutions including products such as headsets, Open SIP desktop phones, audio and videoconferencing equipment, and cloud management and analytics software. The Company sells its products around the world through numerous channel partners such as CDW and Comcast Business.

Plaintiffs allege that, throughout the Class Period, Plantronics made materially false or misleading statements, failing to disclose that (1) the Company had engaged in channel stuffing to artificially increase its sales; (2) the Company's internal controls over inventory levels were not effective; and (3) the Company had not adequately monitored inventory levels leading up to multiple product launches.

On November 5, 2019, Plantronics disclosed a \$65 million reduction in channel inventory "by reducing sales to channel partners" and significantly lowered its fiscal 2020 guidance. The same day, Plantronics announced that the Executive Vice President of Global Sales, Jeff Loebbaka, was departing the Company. On that news, the price of Plantronics common stock fell \$14.44 per share, or 36.61%, from a closing price of \$39.44 on November 5, 2019, to close at \$25.00 per share on November 6, 2019, on extremely elevated trading volume.

On February 13, 2020, the Honorable Jon S. Tigar appointed Bernstein Litowitz co-lead counsel, representing Roofers' Pension Fund. On June 5, 2020, Lead Plaintiffs filed an amended complaint. Defendants moved to dismiss the amended complaint on August 7, 2020, and Lead Plaintiffs filed an opposition to this motion on October 2, 2020. Defendants filed a reply brief in further support of their motion to dismiss on November 16, 2020. On March 29, 2021 the Court dismissed the amended complaint without prejudice. The Court then set a deadline of June 15, 2021 for Lead Plaintiffs to amend the pleadings to cure the deficiencies identified by the Court's March 29, 2021 order.

### **Case Documents**

- June 15, 2020 - Amended Complaint for Violations of the Federal Securities Laws

- February 13, 2020 - Stipulation and Order Appointing Lead Plaintiff and Approving Their Selection of Lead Counsel