

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VIKEN DETECTON CORPORATION,
Petitioner,

v.

AMERICAN SCIENCE AND ENGINEERING, INC.,
Patent Owner.

IPR2021-01585
Patent 7,400,701 B1

Before SCOTT A. DANIELS, CARL M. DeFRANCO, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

DeFRANCO, *Administrative Patent Judge*.

TERMINATION
Due to Settlement Post-Remand
35 U.S.C. § 317; 37 C.F.R. § 42.74

American Science and Engineering, Inc. (“ASE”) is the owner of U.S. Patent No. 7,400,701 B1 (Ex. 1001, “the ’701 patent”).¹ On May 1, 2023, we issued a Final Written Decision (Paper 52) determining that all challenged claims (i.e., claims 1–13) of the ’701 patent are unpatentable. *See* Paper 52. On June 27, 2023, ASE filed a Notice of Appeal, appealing our decision to the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”). *See* Paper 53. After appellate briefing concluded, the Petitioner, Viken Detection Corporation (“Viken”) informed the Federal Circuit that it was withdrawing from the appeal. *See* Ex. 3001 (citing “CAFC Appeal No. 2023-2127, Dkts. 42–43”).

On August 7, 2025, the Federal Circuit vacated our Final Written Decision “for further explanation regarding the Board’s holding that claims 1–4 and 10–13 are anticipated by Seppi” and remanded “for further proceedings consistent with [its] opinion.” Paper 55 (slip opinion); *see also Am. Sci. & Eng’g, Inc. v. Stewart*, No. 2023-2127, 2025 WL 2248631, at *2–3 (Fed. Cir. Aug. 7, 2025). Shortly thereafter, the Federal Circuit issued a mandate returning jurisdiction to the Board. *See* Paper 54.

Pursuant to the Board’s Standard Operating Procedure 3, a conference call was arranged with the parties to discuss any issues regarding the remand process. *See* Ex. 3002. During the conference call on November 5, 2025, ASE indicated that the parties had settled their dispute regarding the ’701 patent and requested authorization to file a joint motion to terminate this proceeding.² *See* Ex. 3003. The panel, in turn, questioned why termination

¹ ASE indicates it is a wholly-owned subsidiary of OSI Systems, Inc., which publicly trades on the NASDAQ under the symbol OSIS. Paper 3, 2.

² Counsel for Viken chose not to participate in the call.

would be appropriate given the narrow scope of the Federal Circuit’s remand, which instructed us to provide “further explanation” of: (1) our finding that “Seppi’s additional detectors were capable of detecting backscatter radiation from both [substantially perpendicular] pencil beams because Seppi discloses cycling pencil beam sources such that only one is turned on at a time,” and (2) our “citation within a citation” as support for that finding. *Id.* As such, we authorized the parties to file a joint motion to terminate the proceeding, but with the condition that the parties’ motion address the propriety of terminating the proceeding in view of the Federal Circuit’s instructions on remand. *See id.*

On November 19, 2025, the parties filed a Joint Motion to Terminate under 35 U.S.C § 317 and 37 C.F.R § 42.7, requesting termination of this proceeding “in view of their settlement agreement.” *See* Paper 58 (“Mot.”), at 1. In their joint motion, the parties represent they have resolved “all disputes” concerning the ’701 patent, including the parallel district court action, *Am. Sci. & Eng’g, Inc. v. Viken Detection Corp.*, No. 1:20-cv-11883 (D. Mass.), which was dismissed at the request of the parties. *Id.* at 1–2. Notably, the parties represent that good cause exists for termination “because: (1) the Settlement Agreement³ covers the ’701 Patent and other patents, resolving any potential remaining dispute on such patents, (2) the ’701 Patent is expired, [and] (3) *the ’701 Patent is no longer asserted in any litigation.*” *Id.* at 3 (emphasis added); *see also id.* at 4 (again representing

³ The parties certify that, as filed, their Settlement Agreement (Exhibit 2056) is a true and complete copy and “there are no collateral agreements or understandings made in connection with, or in contemplation of, the termination of this proceeding other than those reflected in the Settlement Agreement.” *See* Paper 58, at 2.

that “the ’701 patent is expired and no longer at issue in any district court case”). In other words, according to the parties, the ’701 patent is neither the subject of any other Office proceeding, nor being asserted by ASE in any other district court action.

1. Settlement and Lack of Further Litigation

In the case of settlement, an instituted proceeding “shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed.” 35 U.S.C. § 317(a). Here, because our Final Written Decision has been vacated, the patentability of the challenged claims is again unresolved.

Also, an instituted proceeding will be terminated due to settlement only “[i]f no petitioner remains in the inter partes review.” *Id.* Here, because the parties have settled all their disputes concerning the ’701 patent and inform us that the ’701 patent is not the subject of any additional Office proceeding or district court action, no further challengers of the ’701 patent will remain upon termination of this proceeding. Thus, for those reasons, we deem it appropriate to grant the request for termination.⁴ Nonetheless, for completeness, we also address below ASE’s additional reason for seeking termination due to settlement.

⁴ The parties also request that their settlement agreement (Exhibit 2056) be treated as business confidential information and be kept separate from the files of the challenged ’701 patent. *See* Paper 59. After reviewing the settlement agreement, we agree that it appears to contain confidential business information. As such, good cause exists to treat the settlement agreement as business confidential information and to keep it separate from the files of the ’701 patent. *See* 35 U.S.C. § 317(b); 37 C.F.R. § 42.74.

2. *The Federal Circuit’s remand*

ASE also seeks termination because “[w]ork remains to be done on remand” and “[n]ew findings of fact and conclusions of law not developed in the prior record would be required.”⁵ Mot. 3. In particular, ASE contends that new findings are required because:

As the Federal Circuit found on appeal, . . . the Board never expressly found whether “Seppi’s additional detectors detect radiation from both pencil beams when the beams are in a ‘substantially perpendicular’ arrangement as claimed.” 2025 WL 2248631, at *2. Thus, remand proceedings on anticipation by Seppi would require the Board (if allowed) to consider issues not presented or developed before— namely, whether Seppi’s disclosure of “additional detectors” *inherently anticipates* the claimed plurality of scatter detectors disposed to detect radiation scattered from both the first beam and the second beam when substantially perpendicular.

Here, neither Petitioner nor its expert presented evidence or argument that Seppi’s “additional detectors” *inherently anticipate* this limitation. See Paper 1 at 24–25, Paper 31, at 7–9. Thus, the Board would need to expend considerable resources needlessly to consider an issue that had not previously been raised.

Id. at 4 (emphases added). In other words, according to ASE, termination will save the Board and the parties from having to re-open the record and entertain new factual findings and legal conclusions on the issue of whether Seppi inherently anticipates the claims limitations requiring that two “substantially perpendicular” pencil beams and a plurality of scatter

⁵ Viken states that it “does not join and takes no position” with respect to this assertion. Mot. 1 n.1. As such, we attribute this contention solely to ASE, as opposed to being a part of the parties’ joint contentions.

detectors disposed to detect radiation scattered from two substantially perpendicular beams. Ex. 1001 (the '701 patent), claims 1, 11.

We disagree. Nowhere does the Federal Circuit decide that this proceeding turns on inherent anticipation. Instead, the Federal Circuit faulted our decision because “the Board never expressly found Seppi’s additional detectors detect radiation from both pencil beams when the beams are in a ‘substantially perpendicular’ arrangement as claimed.” *Am. Sci. & Eng’g*, 2025 WL 2248631, at *2 (citing *Gechter v. Davidson*, 116 F.3d 1454, 1460 (Fed. Cir. 1997) (“[T]o hold that a prior art reference anticipates a claim, the Board must expressly find that every limitation in the claim was identically shown in the single reference.”)). That *we* did not make the required express finding does not necessarily mean that Seppi does not disclose the claim limitation at issue. Indeed, the Federal Circuit acknowledged our reasoning for why Seppi discloses the disputed limitation—“the Board found Seppi’s additional detectors were capable of detecting backscatter radiation from both pencil beams because Seppi discloses cycling pencil beam sources such that only one source is turned on at a time”—but explained that such reasoning was lacking because “[t]he Board made no findings about the '701 patent’s disclosure of how radiation scatters that allow us to discern the path of its reasoning.” *Id.* Moreover, as the Federal Circuit explained, although “the Board cites to the Petition’s discussion for these limitations, which in turn cites to Viken’s expert’s testimony that without shielding, Seppi’s additional detectors would detect radiation scattered from all sources 16,” the Board’s “citation within a citation” and “lack of explanation or reasoning do not allow us to discern whether it followed the proper path.” *Id.* (citations omitted). As such, the

Federal Circuit “vacate[d] for further explanation” on this particular issue.
Id.

The Federal Circuit’s remand informs us that, in order to follow the proper path, we must explain how the cited testimony of Viken’s expert supports our finding that Seppi’s cycling of the pencil beams allows its detectors to detect radiation from both beams when in a “substantially perpendicular” arrangement, as claimed. So, rather than needing to re-open the record “to consider issues not presented or developed before,” as ASE contends, we need look no further than the existing testimony of Viken’s expert in order provide the “further explanation” that the Federal Circuit requires of us. That testimony, found in paragraphs 121–123, 125–126, and 128–130 of the declaration of Viken’s expert, persuasively explains why one of ordinary skill in the art would have understood Seppi to satisfy the claim limitation for which the Federal Circuit faulted our reasoning in the vacated Final Written Decision. *See* Ex. 1003 ¶¶ 121–131. In particular, Viken’s expert explains how one of ordinary skill in the art would have understood that, “[d]ue to the angular distribution of Compton Scattering,” at least one of the detectors in Seppi’s array would be disposed to detect radiation from the substantially perpendicular beams that are cycled to be turned on one at a time. *Id.* ¶¶ 128–130 (citing Ex. 1007, 14:1–11, 14:25–31, 14:34–37). Thus, we reject the notion that “[n]ew findings of fact and conclusions of law *not developed in the prior record would be required*” on remand. Mot. 3–4 (emphasis added). As such, we decline ASE’s invitation to terminate

this proceeding on that additional basis. Nonetheless, we agree that termination is appropriate based on the first reason discussed above.

Accordingly, it is:

ORDERED that the parties' joint motion to terminate the above-identified proceeding is *granted*;

FURTHER ORDERED that the joint request to treat the settlement agreement as business confidential information is *granted*;

FURTHER ORDERED that the settlement agreement (Ex. 2056) in the above-identified proceeding shall be treated as business confidential information, kept separate from the files of the above-identified patent, and made available only to Federal Government agencies on written request, or to any person on a showing of good cause, pursuant to 35 U.S.C. § 317(b) and 37 C.F.R. § 42.74(c); and

FURTHER ORDERED that the above-identified proceeding is terminated.

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