Project Phoenix - Quarterly Status Report

Q3 2025

Report Date: October 8, 2025 **Project Lead:** Dr. Evelyn Reed **Status:** Amber

1. Executive Summary

Project Phoenix aims to develop a next-generation predictive analytics engine for supply chain optimization. This quarter, the focus was on completing the data ingestion module (Codename: Cerberus) and beginning the initial training of the forecasting model (Codename: Oracle). While the Cerberus module is complete and has passed all integration tests, the Oracle model's initial training has shown a higher-than-expected error margin, leading to the current 'Amber' status.

2. Key Accomplishments

- **Cerberus Module Completion:** The data ingestion pipeline is 100% complete. It successfully integrates with our three primary data sources: SAP, Oracle DB, and the legacy AS/400 system. Throughput is stable at 2.5 TB/day.
- **Initial Model Scaffolding:** The foundational architecture for the Oracle forecasting model is complete. The team has implemented a transformer-based architecture which is a deviation from the original LSTM plan.
- **Team Expansion:** We have onboarded two new data scientists, John Miller and Priya Singh, to accelerate model development.

3. Challenges and Risks

- **Model Accuracy:** The primary risk is the Oracle model's current Mean Absolute Percentage Error (MAPE) of 22%, which is significantly above the target of <10%. The root cause is suspected to be data quality issues from the legacy AS/400 system.
- **Resource Allocation:** The cloud computing budget for GPU resources is projected to be exceeded by 15% due to the need for additional training runs.

4. Next Quarter Goals (Q4 2025)

- **Data Cleansing Initiative:** Dedicate a two-week sprint to analyze and clean the AS/400 data stream.
- **Model Retraining:** Perform a full retraining of the Oracle model using the cleansed dataset.
- **Budget Re-evaluation:** Present a revised budget proposal to the steering committee to account for increased computational needs.