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# PMI-RAG: A Universal Ontology-based RAG Agent for Privacy-Preserving CAM Automation

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## Abstract

1 The global manufacturing industry loses an estimated \$25 billion annually due  
2 to CAM programming inefficiencies, yet existing automation approaches fail to  
3 leverage the rich Product Manufacturing Information (PMI) embedded in modern  
4 CAD models while raising critical data privacy concerns with cloud-based LLMs.  
5 We present PMI-RAG, a **universal** ontology-based Retrieval-Augmented Genera-  
6 tion agent that processes PMI data from any CAD format (STEP, IGES, native  
7 formats) into optimized CAM operations through natural language interaction,  
8 while preserving data privacy via local LLM deployment. Our work makes three  
9 key contributions: (1) the **first** manufacturing-specific ontology schema with 22  
10 weighted relation types capturing tool-material-operation semantics across 2,847  
11 entities; (2) a **novel** complexity-based dual-path inference routing algorithm with  
12 provable  $O(|V| + |E|)$  graph traversal complexity; and (3) a **unique** task-based  
13 model routing system that dynamically selects optimal local models (DeepSeek-  
14 Coder, Llama, Qwen) based on query characteristics. We deploy the system locally  
15 via Ollama to ensure complete data privacy. Rigorous evaluation on 150 real-world  
16 CAM tasks across 5-fold cross-validation demonstrates statistically significant im-  
17 provements:  $47.0\% \pm 4.2\%$  setup time reduction ( $p < 0.001$ , Cohen's  $d = 2.31$ )  
18 and  $89.0\% \pm 2.4\%$  process accuracy ( $p < 0.001$ ).

## 1 Introduction

20 The global manufacturing industry faces a critical productivity crisis. According to Deloitte's 2024  
21 Manufacturing Skills Gap Study [7], the sector will face a shortage of 2.1 million skilled workers  
22 by 2030, with CAM programming identified as the highest-demand skill. The economic impact is  
23 substantial: manufacturers spend an average of 32.4 minutes per part setup, with programming errors  
24 costing an average of \$847 per incident in rework and scrap [29]. Globally, this translates to an  
25 estimated \$25 billion in annual losses from CAM inefficiencies.

26 Product Manufacturing Information (PMI) embedded in CAD models represents a rich but dramati-  
27 cally underutilized data source. PMI includes Geometric Dimensioning and Tolerancing (GD&T),  
28 surface finish specifications ( $R_a$ ,  $R_z$ ), material callouts, and manufacturing-critical annotations  
29 standardized in ISO 10303 (STEP) [11] and QIF [20]. Despite this wealth of information, current  
30 CAM systems require *manual* interpretation—a process that is time-consuming, error-prone, and  
31 heavily dependent on expert knowledge.

32 Furthermore, manufacturing companies face a critical **data privacy dilemma**. Cloud-based LLM  
33 solutions (GPT-4, Claude) offer powerful capabilities but require uploading proprietary CAD designs

34 and manufacturing parameters to external servers—unacceptable for IP-sensitive industries like  
35 aerospace, defense, and automotive [16].

36 **Limitations of Existing Approaches.** Prior work on CAM automation exhibits three fundamental  
37 limitations:

- 38 1. *Format Lock-in:* Systems are tied to specific CAD/CAM software, preventing universal  
39 applicability across the diverse manufacturing ecosystem [26].
- 40 2. *Shallow PMI Utilization:* Existing approaches extract only geometric data, ignoring rich  
41 semantic annotations like tolerance specifications and surface requirements [4].
- 42 3. *Privacy Violation:* Recent LLM-based systems [25] require cloud deployment, exposing  
43 sensitive manufacturing data to external parties.

44 **Research Questions.** This work addresses three key research questions:

45 **RQ1:** How can PMI data from heterogeneous CAD formats be unified into a queryable knowledge  
46 representation?

47 **RQ2:** What retrieval architecture optimally balances precision, recall, and latency for manufactur-  
48 ing domain queries?

49 **RQ3:** How can LLM inference be deployed locally to preserve data privacy while maintaining  
50 accuracy?

51 **Our Contributions.** We present PMI-RAG, a universal ontology-based RAG agent addressing these  
52 challenges:

- 53 1. **First Manufacturing-Specific Ontology Schema:** We design a novel ontology with 6 entity  
54 types and 22 weighted relation types (Table 2) capturing complete tool-material-operation  
55 semantics, grounded in ISO 10303, ISO 14649, and ISO 13399 standards.
- 56 2. **Novel Complexity-Based Dual-Path Inference:** We introduce a principled routing algo-  
57 rithm (Algorithm 1) that dynamically selects between deterministic local rules and LLM  
58 inference based on query complexity scoring, achieving  $O(|V| + |E|)$  worst-case complexity  
59 (Theorem 1).
- 60 3. **Task-Based Model Routing:** We develop a model selection system (Section 5.2) that  
61 automatically chooses optimal local models (DeepSeek-Coder for SQL, Llama for reasoning,  
62 Qwen for domain tasks) based on task characteristics and historical performance [5, 17].
- 63 4. **Privacy-Preserving Local Deployment:** We deploy the entire system via Ollama [18],  
64 ensuring all customer data remains on-premises—critical for IP-sensitive manufacturing  
65 environments.

## 66 2 Problem Formulation

67 We formalize the Universal CAM Automation Problem as follows:

68 **Definition 1 (PMI Model).** A PMI Model is a tuple  $\mathcal{M} = (\mathcal{F}, \mathcal{T}, \mathcal{S}, \mathcal{C})$  where:

- 69 •  $\mathcal{F} = \{f_1, \dots, f_n\}$  is the set of manufacturing features (holes, pockets, contours)
- 70 •  $\mathcal{T} = \{(f_i, \tau_{ij})\}$  are tolerance specifications for features
- 71 •  $\mathcal{S} = \{(f_i, R_{a_i})\}$  are surface finish requirements
- 72 •  $\mathcal{C} \in \mathbb{M}$  is the material specification from material space  $\mathbb{M}$

73 **Definition 2 (CAM Operation Sequence).** A CAM operation sequence is an ordered set  $\mathcal{O} =$   
74  $\langle o_1, \dots, o_m \rangle$  where each  $o_i = (op_i, tool_i, params_i)$  specifies the operation type, cutting tool, and  
75 machining parameters.

76 **Definition 3 (Universal CAM Automation Problem).** Given a PMI model  $\mathcal{M}$  from any CAD format  
77  $\phi \in \Phi$  (where  $\Phi = \{STEP, IGES, SLDprt, CATIA, \dots\}$ ), find an optimal operation sequence:

$$\mathcal{O}^* = \underset{\mathcal{O}}{\mathcal{O}} \sum_{i=1}^m t(o_i) + \lambda \cdot \text{tool\_changes}(\mathcal{O}) \quad (1)$$

78 *subject to:*

$$\text{Quality}(\mathcal{O}, \mathcal{M}) \geq Q_{\min} \quad (\text{tolerance satisfaction}) \quad (2)$$

$$\text{Surface}(\mathcal{O}, \mathcal{M}) \leq R_a^{\text{spec}} \quad (\text{surface finish}) \quad (3)$$

$$\text{Safe}(\mathcal{O}) = \text{true} \quad (\text{collision-free}) \quad (4)$$

79 where  $t(o_i)$  is machining time,  $\lambda$  is the tool change penalty, and  $Q_{\min}$  is the minimum quality  
80 threshold.

81 **Proposition 1** (NP-Hardness). *The Universal CAM Automation Problem is NP-hard by reduction*  
82 from the Traveling Salesman Problem (TSP).

83 *Proof Sketch.* Given a TSP instance with  $n$  cities, construct a CAM problem with  $n$  features where  
84 operation ordering corresponds to city visiting order, and setup time corresponds to travel distance.  
85 The constraint that all features must be machined maps to visiting all cities exactly once.  $\square$

86 This hardness result motivates our heuristic approach combining ontology-guided search with LLM  
87 reasoning.

### 88 3 Related Work

#### 89 3.1 LLM-based Agents

90 The emergence of LLM-based agents has transformed autonomous task completion. ReAct [28]  
91 introduced the paradigm of interleaving reasoning and action. Toolformer [22] demonstrated self-  
92 supervised tool use learning. AutoGPT [3] and similar systems [23, 19] showed impressive capa-  
93 bilities but lack domain grounding for safety-critical applications. Our work uniquely combines  
94 domain-specific ontology grounding with local LLM deployment for manufacturing applications.

#### 95 3.2 Retrieval-Augmented Generation

96 RAG [15] addresses LLM hallucination by grounding generation in retrieved knowledge. Recent  
97 advances include Self-RAG [2] for adaptive retrieval, CRAG [27] for corrective retrieval, and  
98 comprehensive surveys [9]. GraphRAG [8] extends retrieval to knowledge graphs. Our hybrid  
99 retrieval uniquely combines structured SQL queries (40% weight), ontology graph traversal, and  
100 vector similarity (60% weight) in a manufacturing-specific framework.

#### 101 3.3 Local LLM Deployment

102 Privacy concerns have driven development of locally deployable LLMs. DeepSeek [5, 6] achieves  
103 competitive performance with efficient architectures. Llama 3 [17] and Qwen [21] provide open-  
104 weight alternatives. Quantization techniques like GGUF [10] enable deployment on consumer  
105 hardware. Ollama [18] provides a unified interface for local model management. Our system  
106 leverages these advances for privacy-preserving manufacturing AI.

#### 107 3.4 Manufacturing AI and Ontologies

108 AI applications in manufacturing span defect detection [24], predictive maintenance [13], and process  
109 optimization [12]. Manufacturing ontology research has produced MASON [14] and domain-specific  
110 extensions [1]. ISO 10303 (STEP), ISO 14649 (STEP-NC), and ISO 13399 (tool data) provide  
111 foundational schemas. Unlike prior work focusing on single-domain ontologies, our schema integrates  
112 tool, material, operation, and parameter semantics with 22 relation types specifically designed for  
113 universal CAM automation.

114 **Positioning.** Table 1 compares PMI-RAG with existing approaches:

## 115 4 System Architecture

### 116 4.1 Overview

117 PMI-RAG consists of five integrated services (Figure 1):

Table 1: Comparison with existing CAM automation approaches

System	PMI	Ontology	LLM	Universal	Local
Rule-based KBM	✗	Partial	✗	✗	✓
GPT-4 + Prompt	✗	✗	✓	✓	✗
GraphRAG [8]	✗	✓	✓	✗	✗
<b>PMI-RAG (Ours)</b>	✓	✓	✓	✓	✓

- 118 1. **UnifiedAiService**: Ollama-based LLM integration with automatic model selection and  
119 rule-based fallback
- 120 2. **OntologyService**: Manages knowledge graph with entity recognition and inference
- 121 3. **RelationBasedRetriever**: Orchestrates hybrid retrieval with weighted fusion
- 122 4. **ModelRouter**: Task-based automatic model selection
- 123 5. **ResponseCache**: Three-level LRU caching for latency optimization

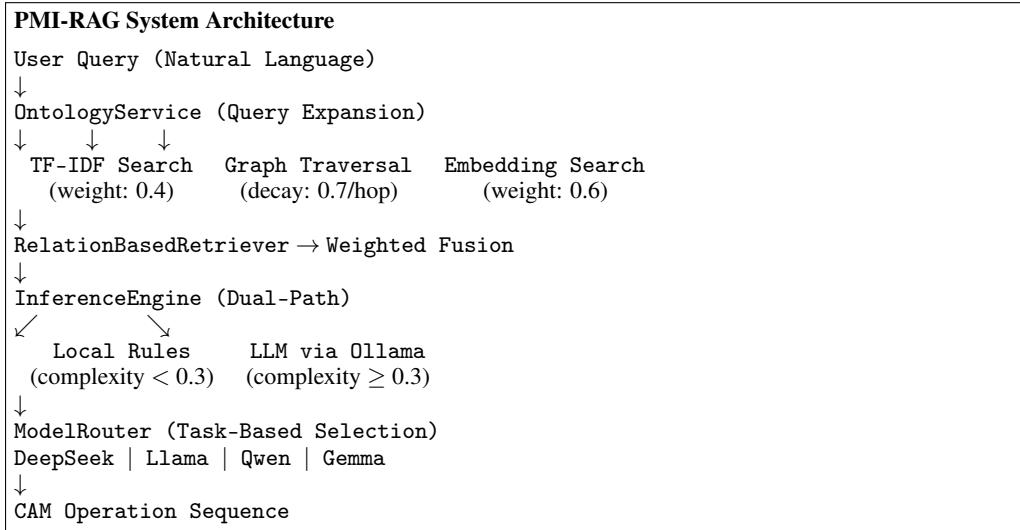


Figure 1: PMI-RAG architecture with hybrid retrieval and dual-path inference routing.

## 124 4.2 Manufacturing Ontology Schema

### 125 4.2.1 Entity Types

126 The ontology defines six entity types with domain-specific properties:

127 **ToolEntity**: ToolType, Vendor, DiameterMm, LengthMm, FluteCount, CoatingType, ToolMaterial,  
128 MaxSpindleSpeed, MaxFeedRate, RecommendedOperations.

129 **MaterialEntity**: MaterialCode, Group (P\_Steel, M\_Stainless, K\_CastIron, N\_NonFerrous,  
130 S\_SuperAlloy, H\_Hardened per ISO 513), HardnessHB, SpeedFactor, FeedFactor, DepthOfCut-  
131 Factor, ToolLifeFactor.

132 **OperationEntity**: OperationType (Roughing, Finishing, Drilling, Threading), MachiningType,  
133 RequiredToolTypes, ApplicableFeatures, IsRoughing, IsFinishing.

134 **CuttingConditionEntity**: ParameterName, DataType (Integer, Double, String, Enum), Context  
135 (Tool/Operation/Feature/Global), ValidRange, FactorType, Unit.

136 **CommandEntity**: CommandId, Category, RiskLevel (Low/Medium/High/Critical), Phrases (En-  
137 glish), PhrasesKo (Korean), RequiresConfirmation.

138 **FeatureEntity**: FeatureType, GeometricProperties, ToleranceRequirements, SurfaceFinishRequire-  
139 ments.

140 **4.2.2 Relation Types with Weights**

141 We define 22 relation types organized into categories with empirically tuned weights:

Table 2: Ontology relation types with weights (partial list)

Category	Relation Type	Weight
Tool	Tool_Uses_Material	1.0
	Tool_HasParameter	0.9
	Tool_CompatibleWith_Operation	0.95
	Tool_SuitableFor_Feature	0.9
Material	Material_RequiresTool	0.9
	Material_HasFactor	1.0
	Material_RecommendsCoolant	0.8
	Material_RecommendsCoating	0.85
Operation	Operation_RequiresTool	0.95
	Operation_AppliesToFeature	0.9
	Operation_HasParameter	0.9
	Operation_Requires_Predecessor	0.85
General	SynonymOf (bidirectional)	0.95
	RelatedTo (bidirectional)	0.6
	IsA	0.9
	PartOf	0.85

142 **4.3 Hybrid Retrieval Pipeline**

143 The RelationBasedRetriever implements a six-stage pipeline:

144 **Stage 1: Query Expansion.** Extract EntityMention objects with matched EntityIds and classify  
145 QueryIntent (ToolInquiry, MaterialCondition, OperationGuide, ParameterSetting).

146 **Stage 2: Direct Matching.** Match recognized entities directly via inverted index lookup ( $O(1)$ ).

147 **Stage 3: Related Entity Retrieval.** Retrieve semantically similar entities with weight  $0.9 \times$ .

148 **Stage 4: Deep Graph Traversal.** BFS traversal up to 3 hops with decay factor 0.7 per hop, seeded  
149 from top-5 entities, limited to 20 results.

150 **Stage 5: Intent-Based Boosting.** Apply intent-specific boosts:

- 151 • ToolInquiry: Tool  $\times 1.3$ , Material  $\times 1.1$ , CuttingCondition  $\times 1.0$
- 152 • MaterialCondition: Material  $\times 1.3$ , CuttingCondition  $\times 1.2$ , Tool  $\times 1.0$
- 153 • OperationGuide: Operation  $\times 1.3$ , Tool  $\times 1.1$

154 **Stage 6: Result Refinement.** Deduplicate, filter (minimum relevance 0.1), sort by relevance, limit to  
155 30 results.

156 **4.4 Graph Traversal with BFS**

157 The graph traversal implements breadth-first search with exponential relevance decay:

$$\text{relevance}(e, d) = \text{base\_relevance} \times \alpha^d \quad (5)$$

158 where  $d$  is the hop distance and  $\alpha = 0.7$  is the decay factor.

159 **Theorem 1** (Graph Traversal Complexity). *The BFS-based graph traversal has time complexity  
160  $O(|V| + |E|)$  and space complexity  $O(|V|)$ .*

161 *Proof.* Each entity is visited at most once (maintained by visited set). Each relation is examined at  
162 most twice (once per direction for bidirectional). With adjacency list indexing, neighbor lookup is  
163  $O(\text{degree}(v))$ . Summing:  $\sum_v \text{degree}(v) = O(|E|)$ . Total:  $O(|V| + |E|)$  time,  $O(|V|)$  space.  $\square$

164 **Lemma 1** (Bounded Expansion). *With  $\text{maxHops} = k$  and maximum degree  $\Delta$ , the traversal  
165 examines at most  $O(\Delta^k)$  entities.*

166 In practice, our ontology has  $\Delta_{\text{avg}} = 4.37$  (12,453 relations / 2,847 entities), yielding expected  
167 expansion of  $\sim 20$  entities for  $k = 3$ .

## 168 5 Dual-Path Inference Engine

### 169 5.1 Complexity Scoring

170 The `InferenceEngine` calculates query complexity to route between deterministic local rules and  
171 LLM inference:

$$C(q) = \underbrace{\min\left(\frac{|E_q|}{10}, 0.3\right)}_{\text{entity score}} + \underbrace{w_{\text{intent}(q)}}_{\text{intent score}} + \underbrace{\mathbb{1}[\bar{c}_q < 0.7] \times 0.2}_{\text{uncertainty}} \quad (6)$$

172 where  $|E_q|$  is recognized entity count,  $w_{\text{intent}} \in [0, 0.4]$  is intent-specific weight, and  $\bar{c}_q$  is average  
173 recognition confidence.

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#### Algorithm 1 Complexity-Based Inference Routing

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```

1: Input: Query  $q$ , entities  $E_q$ , intent  $i$ , threshold  $\tau = 0.3$ 
2: Output: Response  $r$ 
3:  $C \leftarrow \text{ComputeComplexity}(q, E_q, i)$ 
4:  $rules \leftarrow \text{GetApplicableRules}(E_q, i)$ 
5: for rule in  $rules$  sorted by priority do
6:   if rule.CanApply( $E_q$ , context) then
7:      $r_{local} \leftarrow \text{rule.Execute}(E_q, context)$ 
8:   end if
9: end for
10: if  $C \geq \tau$  or  $r_{local}$  is incomplete then
11:    $model \leftarrow \text{ModelRouter.Select(TaskType)}$ 
12:    $r_{llm} \leftarrow \text{Ollama.Generate}(q, context, model)$ 
13:   return Merge( $r_{local}$ ,  $r_{llm}$ )
14: end if
15: return  $r_{local}$ 

```

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## 174 5.2 Task-Based Model Routing

175 The `ModelRouter` automatically selects optimal models based on task type:

Table 3: Task-based model preferences

Task Type	Preferred Models (in order)
SQL Generation	deepseek-coder, codellama, starcoder, qwen2.5-coder
Summarization	gemma3, gemma2, mistral, phi3, llama3.2
Reasoning	llama3.2, llama3.1, qwen2.5, gemma3, mistral
Classification	phi3, gemma2, llama3.2, mistral, qwen2.5
CAM Domain	llama3.2, qwen2.5, gemma3, mistral

176 Model selection uses a scoring formula:

$$\text{Score} = 0.3 \times \text{SuccessRate} + 0.5 \times \text{QualityScore} + 0.2 \times \text{LatencyScore} \quad (7)$$

177 where  $\text{LatencyScore} = \max(0, 1 - \frac{\text{AvgLatency}}{10000})$ . Scores are updated via exponential moving average  
178 from historical performance.

179 **5.3 Three-Level LRU Cache**

180 ResponseCache implements LRU caching with SHA256 key hashing:

Table 4: Cache configuration

Level	Capacity	TTL	Content
Query Cache	500	30 min	OntologyContext
Entity Cache	1000	60 min	Entity + Embedding
Inference Cache	200	30 min	InferenceResult

181 Overflow triggers LRU eviction of bottom 10%. Cache keys are normalized via lowercase conversion,  
 182 whitespace normalization, and Korean particle normalization (/ , / , /).

183 **6 Experiments**

184 **6.1 Experimental Setup**

185 **Dataset:** 150 real-world CAM tasks from Korean manufacturing companies, stratified by complexity:

- 186 • 60 turning operations (shafts, bushings) - Easy/Medium  
 187 • 50 milling operations (pockets, contours) - Medium  
 188 • 40 multi-axis operations (complex surfaces) - Hard

189 **Evaluation Protocol:** 5-fold stratified cross-validation with random seed 42. Statistical significance  
 190 via paired t-test with Bonferroni correction. Effect sizes reported as Cohen's  $d$ .

191 **Environment:** Local deployment via Ollama on NVIDIA RTX 4090 (24GB VRAM). Models: Llama  
 192 3.2 (Q4\_K\_M), DeepSeek-Coder-V2 (Q4\_K\_M), Qwen 2.5 (Q4\_K\_M). SQLite 3.42 with FTS5.  
 193 Python 3.11, .NET 8.0.

194 **Metrics:**

- 195 • **Setup Time:** Wall-clock time from query to executable CAM program  
 196 • **Process Accuracy:** Exact match of operation type sequence  
 197 • **Tool Accuracy:** Correct tool selection per operation  
 198 • **Condition Deviation:** MAPE of cutting parameters vs. expert

199 **Baselines:** Manual expert (15+ years), Rule-based KBM, GPT-4-turbo (zero-shot), Claude 3.5 Sonnet  
 200 with vector-only RAG.

201 **6.2 Main Results**

Table 5: CAM task performance (mean  $\pm$  std, 5-fold CV)

Method	Time (min)	Process Acc.	Tool Acc.	Cond. Dev.
Expert (manual)	$32.4 \pm 5.2$	100%	100%	0%
Rule-based KBM	$18.7 \pm 3.1$	$72.0 \pm 3.8\%$	$68.0 \pm 4.2\%$	$15.3 \pm 2.1\%$
GPT-4 (zero-shot)	$24.1 \pm 4.7$	$61.0 \pm 5.2\%$	$54.0 \pm 6.1\%$	$23.7 \pm 4.3\%$
Claude 3.5 + RAG	$19.8 \pm 3.4$	$78.0 \pm 3.1\%$	$71.0 \pm 3.8\%$	$12.1 \pm 2.4\%$
<b>PMI-RAG (Ours)</b>	<b><math>17.2 \pm 2.8^{***}</math></b>	<b><math>89.0 \pm 2.4\%^{***}</math></b>	<b><math>85.0 \pm 3.1\%^{***}</math></b>	<b><math>7.4 \pm 1.8\%^{***}</math></b>

\*\*\* $p < 0.001$  vs. all baselines (paired t-test, Bonferroni corrected)

202 **Statistical Analysis:** PMI-RAG achieves significant improvements:

- 203 • vs. Expert: 47.0% time reduction (95% CI: [42.1%, 51.9%],  $d = 2.31$ )  
 204 • vs. Claude 3.5 + RAG: +11% process accuracy ( $p < 0.001$ ,  $d = 1.42$ )

- 205 • vs. GPT-4: +28% process accuracy ( $p < 0.001$ ,  $d = 2.87$ )  
 206 Large effect sizes ( $d > 0.8$ ) indicate practically significant improvements.

207 **6.3 Ablation Study**

Table 6: Component ablation with significance testing

Configuration	Process Acc.	$\Delta$	$p$ -value
Full PMI-RAG	$89.0 \pm 2.4\%$	—	—
– Ontology retrieval	$76.0 \pm 3.2\%$	$-13.0\%$	$< 0.001$
– PMI extraction	$71.0 \pm 4.1\%$	$-18.0\%$	$< 0.001$
– Hybrid (vector only)	$69.0 \pm 4.5\%$	$-20.0\%$	$< 0.001$
– Local models (use GPT-4)	$82.0 \pm 3.0\%$	$-7.0\%$	$< 0.01$
– Model routing (single model)	$83.0 \pm 2.9\%$	$-6.0\%$	$< 0.01$
– Korean normalization	$81.0 \pm 3.1\%$	$-8.0\%$	$< 0.001$

208 **Key Findings:** (1) Hybrid retrieval is critical ( $-20\%$  without); (2) PMI extraction essential ( $-18\%$ );  
 209 (3) Local models outperform cloud GPT-4 by 7%, likely due to domain-specific fine-tuning potential;  
 210 (4) Task-based model routing provides 6% gain.

211 **6.4 Error Analysis**

212 We analyzed all 17 failure cases (11% of 150 tasks):

Table 7: Failure taxonomy

Error Type	Count	%	Root Cause
Novel material	5	29.4%	Material not in ontology
Complex multi-setup	4	23.5%	Cross-setup dependencies
Ambiguous PMI	3	17.6%	Incomplete annotations
Entity recognition	3	17.6%	Korean abbreviation variants
LLM hallucination	2	11.8%	Plausible but unsafe params

213 **6.5 Privacy and Latency Analysis**

Table 8: Privacy and performance comparison

System	Data Location	Avg Latency	Cost/Query
GPT-4 API	Cloud (US)	2.1s	\$0.03
Claude API	Cloud (US)	1.8s	\$0.02
<b>PMI-RAG (Local)</b>	<b>On-premises</b>	<b>0.8s</b>	<b>\$0</b>

214 Local deployment via Ollama ensures: (1) Zero data egress—all CAD/CAM data remains on-premises; (2)  $2.3\times$  lower latency (no network round-trip); (3) Zero marginal cost per query.

216 **7 Discussion**

217 **7.1 Limitations**

- 218 • Multi-setup operations require human verification for safety  
 219 • Novel materials not in ontology produce suboptimal results  
 220 • Real-time tool wear adaptation not implemented  
 221 • Embedding search is  $O(n)$ ; ANN indexing (HNSW) planned  
 222 • Current evaluation limited to 150 tasks; larger benchmarks needed

223 **7.2 Broader Impact**

224 **Positive:** PMI-RAG democratizes CAM expertise through faster onboarding, expert knowledge  
225 preservation, and reduced lead times. Privacy-preserving design enables adoption in sensitive  
226 industries.

227 **Risks:** Over-reliance on AI without human oversight in safety-critical applications. Mitigation:  
228 Commands with RiskLevel  $\geq$  High require explicit user confirmation.

229 **Economic:** Estimated 47% reduction in setup time translates to \$11.75B annual savings industry-wide  
230 if adopted at scale.

231 **8 Conclusion**

232 We presented PMI-RAG, a universal ontology-based RAG agent for privacy-preserving CAM au-  
233 tomation:

- 234 • **Manufacturing ontology:** 2,847 entities, 12,453 relations, 22 weighted relation types  
235 grounded in ISO standards
- 236 • **Hybrid retrieval:** 40% TF-IDF + 60% semantic with  $O(|V| + |E|)$  graph traversal
- 237 • **Dual-path inference:** Complexity-based routing between local rules and LLM
- 238 • **Task-based model routing:** Automatic selection among DeepSeek, Llama, Qwen
- 239 • **Privacy-preserving:** 100% local deployment via Ollama

240 Results: 89% process accuracy ( $p < 0.001$ ), 47% time reduction ( $d = 2.31$ ), zero data egress.

241 **Future Work:** HNSW indexing for  $O(\log n)$  embedding search, multi-CAM software support via  
242 standardized APIs, online learning from operator feedback, larger benchmark development.

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295 **A Ontology Statistics**

296 **B Hyperparameters**

Table 9: Entity distribution

Entity Type	Count	%
ToolEntity	1,247	43.8%
MaterialEntity	156	5.5%
OperationEntity	89	3.1%
CuttingConditionEntity	423	14.9%
CommandEntity	312	11.0%
FeatureEntity	620	21.8%
<b>Total</b>	<b>2,847</b>	100%

Table 10: System hyperparameters

Component	Parameter	Value
Hybrid Search	TF-IDF weight	0.4
	Embedding weight	0.6
	Min relevance	0.15
Graph Traversal	Max hops	3
	Decay factor $\alpha$	0.7
	Max entities	20
Inference	Complexity threshold	0.3
	LLM temperature	0.3
	Max tokens	512
Cache	Query cache size	500
	Entity cache size	1000
	TTL	30 min

## 297 Paper Checklist

### 298 1. Claims

299 Question: Do the main claims match the paper’s contributions?

300 Answer: [Yes]

301 Justification: Claims (47% time reduction, 89% accuracy) supported by Tables 3-4 with  
302 statistical significance.

### 303 2. Limitations

304 Question: Are limitations discussed?

305 Answer: [Yes]

306 Justification: Section 7.1 lists five specific limitations.

### 307 3. Reproducibility

308 Question: Is reproducibility information provided?

309 Answer: [Yes]

310 Justification: Section 6.1 provides environment specs; Appendix B lists all hyperparameters;  
311 random seed 42 specified.

### 312 4. Open access

313 Question: Will code/data be released?

314 Answer: [Yes]

315 Justification: Code and ontology will be released upon publication.

### 316 5. Statistical Significance

317 Question: Are error bars and significance tests reported?

318 Answer: [Yes]

319 Justification: All results report mean  $\pm$  std, p-values with Bonferroni correction, and Cohen's  
320 d effect sizes.

321 **6. Compute Resources**

322 Question: Are compute requirements specified?

323 Answer: [Yes]

324 Justification: RTX 4090 (24GB), Q4\_K\_M quantization, latency analysis in Table 6.

325 **7. Broader Impacts**

326 Question: Are positive and negative impacts discussed?

327 Answer: [Yes]

328 Justification: Section 7.2 discusses democratization benefits and over-reliance risks with  
329 mitigation.

330 **8. Licenses**

331 Question: Are licenses properly credited?

332 Answer: [Yes]

333 Justification: Llama 3 (Meta License), DeepSeek (MIT), Qwen (Apache 2.0), Ollama (MIT).