OpenAI Declares ‘Code Red’ To Improve ChatGPT Amid Google Competition via @sejournal, @MattGSouthern

OpenAI CEO Sam Altman has declared a “code red” to focus company resources on improving ChatGPT, according to an internal memo reported by The Wall Street Journal and The Information.

The memo signals OpenAI’s response to growing competition from Google, whose Gemini 3 model has outperformed ChatGPT in several benchmark tests since launching last month, according to Google’s own evaluation data and third party leaderboards.

What’s New

Altman told employees that ChatGPT’s day to day experience needs improvement. Specific areas include personalization features, response speed and reliability, and the chatbot’s ability to answer a wider range of questions.

The company uses a color-coded system to indicate priority levels. This effort has been elevated to “code red,” above the previous “code orange” designation for ChatGPT improvements.

A new reasoning model is expected to launch next week, according to the memo, though OpenAI hasn’t publicly announced it.

Delayed Products

Several product initiatives are being postponed as a result.

Advertising integration, which OpenAI had been testing in beta versions of the ChatGPT app, is now on hold, according to The Information. AI agents designed for shopping and healthcare are also delayed, along with improvements to ChatGPT Pulse.

Altman has encouraged temporary team transfers to support ChatGPT development and established daily calls for those responsible for improvements.

Competitive Context

On the technical side, Google's Gemini 3 and related models have posted strong scores on reasoning benchmarks. Google says Gemini 3 Deep Think outperforms earlier versions on Humanity's Last Exam, a frontier level benchmark created by AI safety researchers, and other difficult tests. Those results are reflected on Google's own Gemini 3 Pro benchmark page and on independent leaderboards that track model performance.

OpenAI hasn't released comparable public benchmark data for its next reasoning model yet, so comparisons rely on current GPT 5 results rather than the upcoming system referenced in the memo.

Google is also continuing to invest in generative image tools like its Nano Banana and Nano Banana Pro image generators, which sit alongside Gemini 3 as part of a broader AI product lineup.

Benchmark Context

Humanity's Last Exam is intended to be a harder successor to saturated benchmarks like MMLU. It's maintained by the Center for AI Safety and Scale AI, with an overview available on the

project site and results tracked by multiple leaderboards, including Scale's official leaderboard and third party dashboards such as Artificial Analysis.

Google's Gemini 3 Pro benchmark documentation lists a higher score on Humanity's Last Exam than several competing models, including GPT 5. That's the basis for reporting that Gemini 3 has "outperformed" ChatGPT on that specific benchmark.

OpenAI has published strong results on other reasoning benchmarks for its GPT 5 series, but the memo appears to be reacting to this recent wave of Gemini 3 performance data rather than a single test.

Traffic And Usage Context

Despite the technical pressure, OpenAI still has a large lead in assistant usage.

In a recent post on LinkedIn, ChatGPT head Nick Turley said ChatGPT is the "#1 AI assistant worldwide," accounting for "around 70% of assistant usage" and roughly "10% of search activity." You can read his full comments here.

Separate reporting from outlets including the Financial Times indicates OpenAI has more than 800 million weekly users, with most on the free tier, while Gemini's user base has been growing quickly from a lower starting point.

Altman's memo acknowledges Google's recent progress and warns of "temporary economic headwinds," while also saying OpenAI is "catching up fast."

A Familiar Playbook

The "code red" designation echoes Google's own response to ChatGPT several years ago.

Google management declared a "code red" after ChatGPT's viral

launch. CEO Sundar Pichai redirected teams across Google Research, Trust and Safety, and other departments to focus on AI product development.

That urgency led to the accelerated development of Google's AI products, culminating in Bard's launch in early 2023 and its subsequent evolution into Gemini.

Now the roles have reversed. Google's sustained investment in AI infrastructure has produced a model that scores higher than ChatGPT on several high profile benchmarks, prompting OpenAI to adopt a similar crisis response framework for its flagship product.

Company Response

Nick Turley, OpenAI's head of ChatGPT, addressed the competitive landscape in recent posts on LinkedIn and X, where he described ChatGPT as the top AI assistant worldwide.

"New products are launching every week, which is great," he wrote in one of the posts, saying that competition pushes OpenAI to move faster and continue improving ChatGPT.

He added that OpenAI's focus is making ChatGPT "more capable" while expanding access and making it "more intuitive and personal."

OpenAI hasn't publicly commented on the leaked memo itself.

Looking Ahead

OpenAI's new reasoning model launch will provide the first indication of how the company is executing on Altman's directive. The delay of advertising and AI agents suggests ChatGPT quality has become the company's singular near term priority, at least internally.

For marketers and SEO professionals, the more immediate impact is likely to be on how ChatGPT handles complex queries, research tasks, and follow up questions once the new model is live. Any measurable changes in answer quality, speed, or personalization will be important to watch alongside Google's continued Gemini 3 rollouts.

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