

SUPPLIER SPOTLIGHT

ARMS USA

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For over two decades, Advanced Retail Management Systems (ARMS) has been at the forefront of business development and software technology for retail jewelers. Combining cutting edge technology, innovation, and expertise, ARMS has been the driving force behind the success of hundreds of jewelry retailers around the world. Even today, ARMS is the only true all-around software and business development support system available internationally. This is because the software has been developed to support the tried and proven business management philosophy that ARMS imparts to its clients.

HISTORY

In 1963, Malcolm Alderton, the founder of ARMS, entered the jewelry industry in New Zealand as an apprentice watchmaker. He purchased his own retail jewelry store in 1973, which he owned until 1988. In the early 1980s Malcolm realized that, in order to substantially grow his personal income, he had to take tighter control of his major asset — the inventory. To do this, he needed to change the way he was doing business. In early 1982, Malcolm commissioned a software programmer to develop a stock

management software system based upon his specifications. The system incorporated Malcom's innovative *just-in-time* principle and, consequently, allowed him to take tighter control of his inventory. Other New Zealand retail jewelers heard about the program and wanted to adopt this innovation — so a business was born.

Today, ARMS employs over thirty people, has clients in eleven countries, and has installed systems in over 1000 stores.

As a family business, Malcolm and Margaret, along with son Calvin (President of ARMS USA) and daughter Carolyn (Administrative Manager in Australia) and two-year old grandson Josh (his first word was *profit*), have instilled a culture in ARMS of treating every client as “number one.” This is because the Alderton family cares about its clients as only a family business can. With over 1000 store owners, this has become quite a challenge. Nevertheless, the family personally has met most clients and looks forward to meeting the remainder.

With offices based in Las Vegas, ARMS USA is able to enjoy a close relationship with the AGS. The AGS team is very similar to ARMS' own

team in that it is committed to a strong sense of values. ARMS prides itself on its ability to be able to tell retail jewelers that it belongs to the AGS.

On the development side, ARMS has four suites of programs, Stock Management, Financial Management, Customer Management, and POS. Having spent in excess of \$3 million on the development of the latest suites of software, ARMS again has taken a quantum leap ahead in providing feature-rich Stock and Financial Management software and has expanded the maximum store capability from a 20-store operation up to a maximum of an 1100-store operation. Yet a single store owner will still enjoy a user-friendly and simple-to-use system.

FUTURE

Trading conditions are changing more rapidly than ever before and ARMS is committed to future development of its software to handle these changes. Currently ARMS has plans for a totally new and innovative way of connecting ARMS' retail clients to wholesale/manufacturing jewelers.

A new website is about to be launched and will be the basis for this new way of doing business. ARMS has launched two



Malcolm Alderton

Malcolm Alderton entered the jewelry industry in 1963 as a watchmaker and jeweler, before purchasing his own retail jewelry store in 1973.

In 1983, when Malcolm realized that he, like many other retailers, needed help to improve profitability by gaining total control of his business, he established a company now known as ARMS (Advanced Retail Management Systems). With the advent of personal computers, Malcolm

immediately recognized their value as a business tool and so designed the specifications for, and commissioned the programming of, a software package to support jewelry retailers.

For the past two decades, Malcolm has continued to apply his business development experiences to provide ongoing software development ideas, resulting in the world's premier software package for the business development of jewelry stores.

Under Malcolm's leadership, ARMS continues to grow and develop and now extensively markets business development systems to the jewelry industry in New Zealand, Australia, the United States, Canada, Malaysia, Singapore, and the Caribbean.

internet communication briefings with the advent of weekly tips and hints (including new features in the latest version releases of its software) and a monthly newsletter incorporating business management articles for owners and education for computer operators.

MISSION

The ARMS mission is to help the jewelry industry become financially stronger, thus being in a better position to resist non-traditional business attacks on the jewelry industry.

The biggest challenge facing our asset-rich, cash-poor jewelry industry is lack of liquidity. This lack of liquidity is not caused by lack of profit or by carrying out unprofitable business practices, but by a lack of tight inventory management, which for many jewelers has resulted in a huge investment locked up in old unsaleable inventory. This was acceptable twenty years ago, but the cost of carrying old inventory is crippling many businesses in today's marketplace. As Malcolm states, "If it's sitting on the shelf, it's not sitting in the bank." Additionally, having the correct inventory is much more important than having too much inventory. ARMS helps clients to identify the inventory that makes money and the inventory that costs money, then assists with the changes required to balance these vastly different assets.

The attitude of jewelers toward their business is a major determining factor in their ultimate success. The old way of doing business is obsolete. Today, business owners must work smarter, and they need to have control of their business rather than being controlled by their business. There are four critical S's that need constant attention: Stock (your inventory), Suppliers (your vendors), Staff (sales team), and Self (learning and applying the latest business management philosophies).

ARMS recognizes that all business growth flows from astute management. Therefore, at the heart of ARMS software are tools that allow clients to

manage these four critical areas. By providing clients with the tools (software) and the roadmap (business assessments that identify areas in need of change), ARMS clients enjoy a distinct advantage over their competitors. Knowing you cannot improve on what you cannot measure, ARMS provides the tools to measure all critical areas of business and provides the roadmap to improve results.



For the past two decades, as a business development consultant and educator, Malcolm has advised owners of hundreds of quality jewelry stores in seven countries on business development issues relating to stock management, staffing, cash flow, expansion, and a multigenerational work force. He enjoys seeing the accelerated success of these clients.

A major factor in ARMS' ability to effectively create success for its clients is its dedicated and experienced team. Collectively and individually, the team prides itself on the highest service standards and on its capacity to focus on the details while never losing sight of the ultimate goal. Every ARMS team member is focused on putting the customer first, and letting everything — every business activity and consideration — flow from that principle.

ARMS' confidence in its ability to increase clients' profits is such that it provides a written *No Risk Guaranty*. If a client's investment in ARMS does not pay for itself within a year after operating its ARMS business development system in accordance with ARMS' advice, a business development consultant will be assigned to the client's business until it achieves the assessed profit increase. The ARMS guaranty offers true peace of mind, enabling clients to join ARMS with confidence and reap the rewards.

As Lee Krombholz, Krombholz Jewelers, a successful ARMS client and AGS member says, "Accurate informa-

tion and fresh ideas are key to being a jeweler in these changing times. Both ARMS and AGS have been key to my navigation of the ongoing shift in the retail jewelry paradigm. ARMS gives me the information that helps me know exactly where my business stands currently and aids me in making quick decisions where change is necessary. AGS offers a network of fellow jewelers to compare notes with, helps me create the Krombholz brand through my use of the publicly well-known AGS brand, and provides an incredible source of current industry information. Ideas and information are the key to my future!"

ARMS TIMELINE

In 1983, ARMS was invited to address a group of jewelers in Australia on computerized management. This visit resulted in ARMS relocating to Australia and becoming the market leader in Australasia.

In 1992, Malcolm visited the USA and Canada for market research and was surprised to find that, while there were many other software packages on the market, none addressed the tight management of inventory the way ARMS does.

In 1993, GIA President Bill Boyajian, in applying his vision for a financially stronger industry, saw the financial benefit ARMS could bring and sponsored ARMS for five years under the banner GIA-ARMS.

In 1998, ARMS moved out from under the wing of GIA and located its North American office in Las Vegas.

In 1999, ARMS established a presence in Asia and has had the pleasure of learning new cultures within the industry.