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## Artistic Tile's founder reclaims, renames it

**'Firefighter to the rescue'**New Mexico Business Weekly - by [Dennis Domrzalski](#) NMBW Staff

The shuttered Artistic Tile and Granite company has been revived under a new name by the man who founded the firm and later sold it, John Paulson.

It's been renamed **Jonco Inc. Granite and Tile**, and started deliveries of granite countertops to customers on July 17, Paulson said.

The new company hired at least 10 of Artistic's former 47 employees, and has another six contractors installing the countertops. It potentially could be stronger than the old firm because Paulson, who also owns 310 Solar Inc., has formed a strategic alliance with America's largest fabricator of stone countertops.

That alliance is with **Silestone by Cosentino** and its **Stone Systems** subsidiaries, Paulson said. Cosentino has 15 Stone Systems locations. Jonco is partnering with **Stone Systems of Arizona**, which is making the countertops and trucking them to Albuquerque.

Paulson said he is in negotiations with Cosentino and Stone Systems to open a **Stone Systems of New Mexico**, which would operate out of Artistic's shuttered fabrication facility at 5355 Los Picaros SE. Cosentino owns that building, Paulson said.

Jonco recently signed a multi-year lease on Artistic's former showroom at 4801 Alameda NE, said John Ransom, a broker with **Grubb & Ellis New Mexico**.

"John walked away from the business for a while, but he is off and running with it again, and that's a good thing," Ransom said. "He's been very proactive about getting it going."

Paulson founded Artistic in the late 1970s and sold it to Don McCandless in March 2007. McCandless closed Artistic on June 14, saying he was the victim of a bank that refused to work out \$800,000 in loans. Artistic's employees couldn't cash their final paychecks, and many of the firm's customers lost their deposits when it folded.

Paulson said he decided to get involved with the new company because of his allegiance to the business, its customers and employees.

"I felt responsible for what happened to the employees and to the customers," Paulson said. "And once these kids [employees] came to me and the customers came to me, it was a no-brainer for me to roll up my sleeves and do it again."

The first shipment of countertops from Arizona arrived this month and included 14 countertops. The second had 30 pieces, Paulson said.

Stone Systems of Arizona General Manager Gene Wells said that Cosentino and Jonco are working on a business plan to form a Stone Systems of New Mexico. If that happens, the countertops would be fabricated at the Los Picaros location.

"They have committed to a plant as Stone Systems of New Mexico," Wells said.

Paulson said he is working with the **Lowe's** and **Home Depot** home improvement stores to do all their countertop business, as Artistic did. Wells said Cosentino is in negotiations with Home Depot on the matter.

Paulson said all of Jonco's orders are new. He doesn't have the money to reimburse Artistic's customers who lost their deposits. He added, though, that he might be able to provide them countertops at cost.

"I just can't afford to take on the responsibility of those customers. What I am willing to do is work with



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John Paulson changes the name of his reclaimed tile company on the showroom window at the Alameda site.

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them and, perhaps, give them the job at cost so that there is not a total loss across the board,” Paulson said.

McCandless said he had to close Artistic because the firm’s new bank, the Ohio-based **First Financial Bank**, refused to renegotiate \$800,000 in loans that Artistic and he personally had.

Those loans originated with **Irwin Union Bank and Trust Co**, which had an Albuquerque branch. Irwin Union was closed by federal regulators in September, and First Financial bought its assets. First Financial got \$933 million from the **Federal Deposit Insurance Corp.** for taking over Irwin. It also got a loss-share agreement from the FDIC in which the regulator would cover the losses on 80 percent of the bank’s loans, up to \$526 million.

Paulson worked as a firefighter for 20 years before retiring in 2002. He was one of several Albuquerque firefighters who went to ground zero after Sept. 11.

“This might sound a little corny, but I like to think of this story as ‘firefighter to the rescue,’” Paulson said.

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