

TILE SHOP HOLDINGS, INC.
Form SC 13D
August 29, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. __)*

TILE SHOP HOLDINGS, INC.
(Name of Issuer)

Common Stock
(Title of Class of Securities)

88677Q109
(CUSIP Number)

Peter J. Jacullo III
61 High Ridge Avenue
Ridgefield, Connecticut 06877

(Name, Address and Telephone Number of Persons Authorized to Receive Notices and Communications)

August 21, 2012
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP NO. 88677Q109

| | |
|----------|--|
| 1 | NAME OF REPORTING PERSONS |
| 2 | JWTS, Inc. CHECK THE APPROPRIATE BOX IF A MEMBER ^(a) .. OF A ^(b) .. GROUP (b) .. (SEE INSTRUCTIONS) |
| 3 | SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS) |
| 4 | |
| 5 | WC, OO CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION |

State of Delaware,
United States of
America

SOLE
VOTING
POWER

7

6,325,001 (1)
SHARED
VOTING
POWER

NUMBER OF **8**
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH **9**

0
SOLE
DISPOSITIVE
POWER

6,325,001 (1)
SHARED
DISPOSITIVE
POWER

10

0
AGGREGATE
AMOUNT
BENEFICIALLY
OWNED BY EACH
REPORTING PERSON

11

6,325,001 (1)
CHECK
BOX IF
THE
AGGREGATE
AMOUNT
IN ROW
(11)
EXCLUDES
CERTAIN

12

| | |
|-----------|--|
| | SHARES (SEE INSTRUCTIONS) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) |
| 13 | |
| | 14.5% (2) TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) |
| 14 | |

CO

(1) Includes 5,574,691 shares of common stock, par value \$0.0001 per share (the "Common Stock") of the Tile Shop Holdings, Inc. (the "Issuer") held by JWTS, Inc. ("JWTS") and 750,310 shares of Common Stock issuable upon exercise of warrants held by JWTS. Peter J. Jacullo III ("Jacullo") is the sole officer and member of the board of directors of JWTS, holds sole voting and dispositive power over the securities held by JWTS, and may be deemed to beneficially own the securities held by JWTS.

(2) Calculated based on 42,829,884 shares of Common Stock issued and outstanding as of August 21, 2012, which includes the 42,534,884 shares of Common Stock disclosed in the Issuer's prospectus filed pursuant to Rule 424(b)(3) on August 3, 2012 together with 295,000 shares of restricted Common Stock issued in connection with the closing of the Business Combination (as defined below).

CUSIP NO. 88677Q109

| | |
|----------|---|
| 1 | NAME OF REPORTING PERSONS |
| 2 | Peter J. Jacullo III CHECK THE APPROPRIATE BOX IF A MEMBER (a) .. OF A (b) .. GROUP (SEE INSTRUCTIONS) |
| 3 | SEC USE ONLY SOURCE OF FUNDS (SEE INSTRUCTIONS) |
| 4 | |
| 5 | AF, OO CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION |

| | | | |
|--|-----------------------------|---|-----------|
| | United States of America | SOLE VOTING POWER | 7 |
| | | 6,325,001 (1) SHARED VOTING POWER | 8 |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | | 0 SOLE DISPOSITIVE POWER | 9 |
| | | 6,325,001 (1) SHARED DISPOSITIVE POWER | 10 |
| 11 | | 0 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON | |
| 12 | | 6,325,001 (1) CHECK " " BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES | |

| | |
|-----------|--|
| | (SEE INSTRUCTIONS) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) |
| 13 | |
| | 14.5% (2) TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) |
| 14 | |

IN

(1) Includes 5,574,691 shares of Common Stock held by JWTS and 750,310 shares of Common Stock issuable upon exercise of warrants held by JWTS. Jacullo is the sole officer and member of the board of directors of JWTS, holds sole voting and dispositive power over the securities held by JWTS, and may be deemed to beneficially own the securities held by JWTS.

(2) Calculated based on 42,829,884 shares of Common Stock issued and outstanding as of August 21, 2012, which includes the 42,534,884 shares of Common Stock disclosed in the Issuer's prospectus filed pursuant to Rule 424(b)(3) on August 3, 2012 together with 295,000 shares of restricted Common Stock issued in connection with the closing of the Business Combination (as defined below).

Item 1. Security and Issuer.

(a) This statement on Schedule 13D relates to the common stock, par value \$0.0001 per share (the “Common Stock”), of Tile Shop Holdings, Inc., a Delaware corporation (the “Issuer”).

(b) The principal executive offices of the Issuer are located at 14000 Carlson Parkway, Plymouth, Minnesota 55441.

Item 2. Identity and Background.

(a) The persons and entities filing this statement are JWTS, Inc. (“JWTS”) and Peter J. Jacullo III (“Jacullo” and, together with JWTS, the “Reporting Persons”).

(b) The address of the principal place of business of each of the Reporting Persons is 61 High Ridge Avenue, Ridgefield, Connecticut 06877.

(c) The principal business of JWTS is investing. The principal occupation of Jacullo is investing.

(d) None of the Reporting Persons described herein has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons described herein has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

(f) JWTS is incorporated in the State of Delaware. Jacullo is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The information set forth in Item 4 hereof is hereby incorporated by reference into this Item 3, as applicable.

Item 4. Purpose of Transaction.

On August 15, 2012, JWTS purchased 98,688 shares of common stock of JWC Acquisition Corp. (“JWCAC”) in the open market for an aggregate purchase price of \$986,880, which shares were exchanged for shares of Common Stock in connection with the Business Combination (as defined below).

On August 21, 2012, pursuant to the terms of that certain Contribution and Merger Agreement, dated as of June 27, 2012, by and among JWCAC, The Tile Shop, LLC (“TSLLC”), the members of TSLLC (including JWTS), Nabron International, Inc., the Issuer, Tile Shop Merger Sub, Inc., and Peter J. Jacullo III, in his capacity as Sellers’ Representative (the “Contribution and Merger Agreement”), JWTS contributed its membership interests in TSLLC to the Issuer in exchange for 5,476,003 shares of Common Stock (the “Closing Shares”), a cash payment of \$11,843,839.86, and a promissory note in the principal amount of \$11,764,622.87 (the “Promissory Note”). The purpose of the transactions contemplated by the Contribution and Merger Agreement was to combine JWCAC and TSLLC as subsidiaries of the Issuer (the “Business Combination”).

JWTS has entered into a lock-up agreement pursuant to which it will not sell any of the Closing Shares until the earlier of (i) one year after the closing date of the Business Combination, (ii) the date on which the last sales price of the Common Stock equals or exceeds \$12.00 per share for any 20 trading days within any 30 trading day period commencing at least 150 days after the closing date of the Business Combination and (iii) the date on which the Issuer consummates a liquidation, merger, stock exchange or similar transaction that results in all of the stockholders of the Issuer having the right to exchange their shares of Common Stock for cash, securities or other property. These transfer restrictions do not apply to certain permitted transfers, including transfers to family members, entities established for estate planning purposes, controlled corporations and other entities.

In the event that the Promissory Note and other similar promissory notes of like tenor and term issued in connection with the Business Combination (collectively, the “Notes”) are not repaid by the Issuer in full by the third anniversary of the consummation of the Business Combination, up to an aggregate of \$20,000,000 of the then outstanding principal amount of the Notes will be convertible into shares of Common Stock at a conversion price of \$10.00 per share.

Pursuant to the terms of that certain Registration Rights Agreement, dated as of June 27, 2012, by and among certain former direct and indirect holders of membership interest in TSLLC (the “Sellers”), the members of JWC Acquisition LLC (the “Sponsor”), and the Issuer (the “Registration Rights Agreement”), the Sellers and the members of the Sponsor hold registration rights with respect to the shares of Common Stock issued or distributed to such parties in connection with the Business Combination. The holders of a majority in interest of the Common Stock held by the Sellers will be entitled to require the Issuer, on up to four occasions, to register under the Securities Act of 1933, as amended (the “Securities Act”) the shares of Common Stock that they received in the Business Combination or may receive upon conversion of the Notes. Demand registration may be made pursuant to the Registration Rights Agreement so long as the estimated market value of the shares of Common Stock to be registered is at least \$10,000,000. The holders of a majority in interest of the Common Stock held by the Sellers may elect to exercise these registration rights at any time after the earlier of (i) one year after the closing date of the Business Combination, (ii) the date on which the last sales price of the Common Stock equals or exceeds \$12.00 per share for any 20 trading days within any 30 trading day period commencing at least 150 days after the closing date of the Business Combination and (iii) the date on which the Issuer consummates a liquidation, merger, stock exchange or similar transaction that results in all of the stockholders of the Issuer having the right to exchange their shares of Common Stock for cash, securities or other property. In addition, the Sellers and the members of the Sponsor have certain “piggyback” registration rights on registration statements filed by the Issuer following the Business Combination.

On August 21, 2012, in connection with the Business Combination, and pursuant to the terms of that certain Warrant Purchase Agreement, dated as of June 27, 2012, by and among JWC Warrant Holdings, LLC and the other parties thereto (the “Warrant Letter Agreement”), JWTS purchased warrants to purchase up to 750,310 shares of JWCAC common stock for an aggregate purchase price of \$574,349.96, which became exercisable for an equal number of shares of Common Stock upon the consummation of the Business Combination (the “Warrants”). Pursuant to the terms of that certain Warrant Agreement, dated as of November 17, 2010, by and between JWCAC and Continental Stock Transfer & Trust Company, as warrant agent (the “Warrant Agreement”), the Warrants have an exercise price per underlying share of Common Stock of \$11.50 and become exercisable on September 20, 2012.

As a result of Jacullo's role as a member of the board of directors of the Issuer, Jacullo may have communications regarding, and a significant influence with respect to, the operational, strategic, financial, and governance matters of the Issuer.

Subject to applicable legal requirements, one or more of the Reporting Persons may purchase additional securities of the Issuer from time to time in open market or private transactions, depending on their evaluation of the Issuer's business, prospects and financial condition, the market for the Issuer's securities, other developments concerning the Issuer, the reaction of the Issuer to the Reporting Persons' ownership of the Issuer's securities, other opportunities available to the Reporting Persons, and general economic, money market, and stock market conditions. In addition, depending upon the factors referred to above, the Reporting Persons may dispose of all or a portion of their securities of the Issuer at any time. Each of the Reporting Persons reserves the right to increase or decrease its holdings on such terms and at such times as each may decide. Other than as described above in this Item 4, none of the Reporting Persons have any plan or proposal relating to or that would result in: (a) the acquisition by any person of additional securities of the Issuer or the disposition of securities of the Issuer; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries; (d) any change in the present board of directors or management of the Issuer, including any plans or proposals to change the number or terms of directors or to fill any existing vacancies on the board of directors of the Issuer; (e) any material change in the present capitalization or dividend policy of the Issuer; (f) any other material change in the Issuer's business or corporate structure; (g) any changes in the Issuer's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person; (h) a class of securities of the Issuer being delisted from a national securities exchange or ceasing to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or (j) any action similar to those enumerated above.

Item 5. Interests in Securities of the Issuer.

(a), (b), (c) The information contained on the cover pages to this statement on Schedule 13D and set forth in Item 4 hereof is hereby incorporated by reference into this Item 5, as applicable.

(d) None.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

The information contained on the cover pages to this statement on Schedule 13D and set forth in Item 4 hereof is hereby incorporated by reference into this Item 6, as applicable.

6

Item 7. Material to be Filed as Exhibits.

| Exhibit No. | Description |
|-------------|---|
| 1. | Joint Filing Statement |
| 2. | Contribution and Merger Agreement, dated June 27, 2012, by and among JWC Acquisition Corp., The Tile Shop, LLC, the members of The Tile Shop, LLC, Nabron International, Inc., Tile Shop Holdings, Inc., Tile Shop Merger Sub, Inc., and Sellers' Representative (incorporated by reference to Exhibit 2.1 to Amendment No. 1 to Registration Statement on Form S-4 filed by the Issuer on July 23, 2012) |
| 3. | Form of Promissory Note by and between Tile Shop Holdings, Inc. and each Seller (incorporated by reference to Exhibit 2.1 to Amendment No. 1 to Registration Statement on Form S-4 filed by the Issuer on July 23, 2012) |
| 4. | Sellers Lock-Up Agreement, dated June 27, 2012, by and among Nabron International, Inc., The Tile Shop, Inc., ILTS, LLC, JWTS, Inc., certain other members of The Tile Shop, LLC, Tile Shop Holdings, Inc. and JWC Acquisition Corp. (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 5. | Registration Rights Agreement, dated June 27, 2012, by and among JWC Acquisition Corp., Tile Shop Holdings, Inc., certain members of JWC Acquisition, LLC, Nabron International, Inc., The Tile Shop, Inc., JWTS, Inc. and certain other members of The Tile Shop, LLC (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 6. | Warrant Purchase Agreement, dated June 27, 2012, by and among JWC Warrant Holdings, LLC, Nabron International, Inc., The Tile Shop, Inc., JWTS, Inc., and certain other members of The Tile Shop, LLC. (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 7. | Warrant Agreement, dated November 17, 2010, by and between JWCAC and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on November 24, 2010) |

7

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: August 28, 2012

JWTS, INC.

By: /s/ Peter J. Jacullo III
Name: Peter J. Jacullo III
Title: President

/s/ Peter J. Jacullo III
Name: Peter J. Jacullo III

EXHIBIT INDEX

| Exhibit No. | Description |
|-------------|---|
| 1. | Joint Filing Statement |
| 2. | Contribution and Merger Agreement, dated June 27, 2012, by and among JWC Acquisition Corp., The Tile Shop, LLC, the members of The Tile Shop, LLC, Nabron International, Inc., Tile Shop Holdings, Inc., Tile Shop Merger Sub, Inc., and Sellers' Representative (incorporated by reference to Exhibit 2.1 to Amendment No. 1 to Registration Statement on Form S-4 filed by the Issuer on July 23, 2012) |
| 3. | Form of Promissory Note by and between Tile Shop Holdings, Inc. and each Seller (incorporated by reference to Exhibit 2.1 to Amendment No. 1 to Registration Statement on Form S-4 filed by the Issuer on July 23, 2012) |
| 4. | Sellers Lock-Up Agreement, dated June 27, 2012, by and among Nabron International, Inc., The Tile Shop, Inc., ILTS, LLC, JWTS, Inc., certain other members of The Tile Shop, LLC, Tile Shop Holdings, Inc. and JWC Acquisition Corp. (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 5. | Registration Rights Agreement, dated June 27, 2012, by and among JWC Acquisition Corp., Tile Shop Holdings, Inc., certain members of JWC Acquisition, LLC, Nabron International, Inc., The Tile Shop, Inc., JWTS, Inc. and certain other members of The Tile Shop, LLC (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 6. | Warrant Purchase Agreement, dated June 27, 2012, by and among JWC Warrant Holdings, LLC, Nabron International, Inc., The Tile Shop, Inc., JWTS, Inc., and certain other members of The Tile Shop, LLC. (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on June 27, 2012) |
| 7. | Warrant Agreement, dated November 17, 2010, by and between JWCAC and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by JWC Acquisition Corp. on November 24, 2010) |

Exhibit 1

JOINT FILING STATEMENT

I, the undersigned, hereby express my agreement that the attached statement on Schedule 13D (and any amendments thereto) relating to the Common Stock of Tile Shop Holdings, Inc. is filed on behalf of each of the undersigned.

Date: August 28, 2012

JWTS, INC.

By: /s/ Peter J. Jacullo III
Name: Peter J. Jacullo III
Title: President

/s/ Peter J. Jacullo III
Name: Peter J. Jacullo
III