

## **ABSTRACT**

*The development of the fashion industry in Indonesia push the competition between brands. This requires that the fashion industry in Indonesia produce a high quality product at a cheap price. VOW Denim is one of the fashion industry in Indonesia, which sells clothing , especially jeans. In the production process VOW Denim still use vendor services managed by other parties . This makes the cost of production becomes more expensive and the products become incompatible with the quality expected by VOW Denim . Seeing this ,VOW Denim wants to make their own workshop . Before making the workshop, conducted a feasibility study whether the workshop would make decent views of the market aspects , technical aspects and financial aspects is necessary. The market size is known by distributing questionnaires . For the analysis of the technical aspects , the determination of the location , the determination of the amount of human resources , the determination of the production equipment and technical specifications made by the benchmark with other workshops . For the financial aspects of investment expenditure and revenue estimates obtained using the results of the previous calculations . The period is set for 5 -year financial projections with  $MARR = 14 \%$  . The results of the calculation of the level of investment that is:  $NPV = Rp . 291.886.220,34$   $IRR = 30,65 \%$  and  $PBP = 2,547$  years . Workshop Denim VOW feasible or the  $IRR$  is greater than the value of  $MARR$  and the  $NPV$  is positive.*

*Keywords : Feasibility Analysis , NPV , IRR , PBP , VOW Denim's workshop*