

## ABSTRACT

*Jaya Mukti woven company located in Kecamatan Majalaya is a small up to middle class business that produces and sells woven product such as sarong. It is established almost 30 years ago. Year by year, the company grows bigger and bigger until now. Jaya Mukti woven company has its own market such as Tanah Abang, Pekalongan, and Surabaya. Recently, the demand of the product is higher than the productivity. Hence, the company is considering having new factory in Bekasi. In order to have the best decision whether the new location will be profitable or not , it is necessary to conduct feasibility study in several aspects including market, technical, and financial aspects.*

*For market demand, estimated based on incoming orders in the year 2011 to 2013. Location of new factory selected from three alternatives with regard parameters into consideration in determining the location. Production equipment and human resources is calculated based on the number of planned capacity.*

*For the financial aspects will be counted in investment spending and revenue estimates after handling aspects of the market and technical aspects. The analysis performed for the financial aspects of the time period of 5 years. Calculation shows  $NPV = Rp\ 9.032.381.609,39$ ,  $IRR = 44,83\%$  and  $PBP = 1,719$  years. Thus the opening of the new factory to be feasible because the  $IRR$  is greater than the value of  $MARR$  and the  $NPV$  is positive.*

*Key words: Feasibility Study, NPV, IRR, PBP, Woven Sarong of Jaya Mukti Woven Industry.*