

ABSTRACT

Implementation of government policy conducted in early 2010, about applying policies to impose a merchant agreement ASEAN-China Free Trade Agreement (ACFTA). So many foreign products entering Indonesia, one of the shoe so that it becomes a threat to the shoe industry in Indonesia. The existence of this Cibaduyut shoes to finally compete with Chinese products sold at cheaper prices but lower quality and have a brand that attract consumers with attractive packaging. Thus it is necessary to do analysis study busniness life cycle, an analysis method that can map Cibaduyut SMEs located area to determine how much impact given the ACFTA with a view of the five phase to be analyzed.

Through this study, it will determine the position of the business life cycle in the SME (Small and Medium Industries) in the Central Business Shoes Cibaduyut based on the five stages of business life cycles.

Methods of data collection is done through questionnaires circulated to the 70 respondents who have been selected according to predetermined criteria and interview all three respondents are businesses in the Central Business Shoes Cibaduyut.

Based on the results of descriptive analysis shows that the maturity phase and revival phase are a perceived position in the Cibaduyut Shoe Business Center now based on the highest score of 77%. Then conducted interviews to the three respondents and get the cause of the decline is, decreased purchasing power, raw material prices are always increased, and government policies, especially ACFTA.

Based on the results of the study, then to overcome the maturity phase that tends to decline. It can be done such as creating harmony between workshops shoes, famous brand, and government to full employment, fair competition, a love of domestic products and strengthen Cibaduyut image as a tourist area and Sentra craft shoes Leather Shoes in West Java. And then provides training to craftsmen to be more innovative in product development to meet market needs, provide capital loans, and review of development policy ACFTA.

Keywords : *Business Life Cycle; SMIs; & SMEs*