

## ABSTRACT

Adi Jaya Makmur (AJM) Confection is a home industry-scale confection that has been established since 2008 that provides protective equipment for manufacturing workers such as gloves, masks, and ready-to-wear clothing manufacturing services. The current production site is located at Jalan Sangkuriang, Cimahi City. The increasing trend of demand does not balance with production resources. The cause of the inability to meet demand is the lack of machine and human resources. Existing production facilities cannot add production equipment and storage of raw materials and finished goods due to limited production area. This study aims to design and measure the feasibility of a new production facility based on market aspects, technical aspects, and financial aspects, as well as review the sensitivity level of opening a new production facility AJM Confection. In the design process, a review is carried out through market aspects, technical and operational aspects, and financial aspects. In the market aspect, the forecasting method is used. The results from the market aspect through the forecasting method show projected demand in 2023 which is projected for demand until 2027. The technical aspect reviews the needs of manpower, machinery, *layout* and selection of the most suitable location using *factor rating method*. As a result, the location of the newly selected facility is in Kopo. Based on the results of the financial aspect, the investment is feasible. The NPV obtained in the fifth year is Rp210.510.905,01. These results can be said to be feasible because it is  $> 0$ . The IRR value is 22,52%  $>$  of the MARR value of 8%. Payback period for 4,3 years or four years three months. BCR value 1,21 $>$ 1 which means, the investment is profitable.

Keyword— *Business Design, Feasibility Studies, AJM Confection*