

## **ABSTRACT**

Coffee (*cofea sp*) is one of the products of agricultural commodities with the plantation sub-sector which has a fairly high economic value compared to other plantation crops by being ranked 4th in the number of coffee production in the world with 10.7 million bags weighing 60 kilograms. PT XYZ is a company engaged in General Contractor. The company provides heavy equipment rental, general contractors, and head hunters who can be employed in the mining industry. In addition, the company also operates in the printing and agriculture sectors. PT XYZ is a company that continues to strive to keep abreast of changes and developments in accordance with market demands, both micro and macro. To increase the income obtained from agriculture/plantation, the company decided to develop new product innovations by producing arabica coffee in the type of beans and powder. Based on the plan, it is necessary to conduct a feasibility analysis on the market aspect, technical aspect, and financial aspect. The feasibility analysis in this study shows that the plan to develop new arabica coffee products by PT XYZ is feasible to run with a NPV value of Rp 2.104.202.540, an IRR of 28,96%, and a PBP of 3,38 years. In this design, sensitivity analysis is conducted to show that the planned development of new Arabica coffee products is sensitive to an increase in the price of direct raw materials by 31,75%, a decrease in selling price by 12,05%, and a decrease in demand by 12,15%.

***Key Words — Feasibility Analysis, Sensitivity Analysis, NPV, PBP, IRR***