

ABSTRACT

The aims of this research are: (1) to examine the feasible of the coffee processing business between wet method and dry method, (2) to compare the financial profit rate of the coffee processing business between wet method and dry method, and (3) to identify the sensitivity of the coffee processing business between wet method and dry method towards the occurring of input and output change.

This research was held in Silo sub-district of Jember. The methods of this research are descriptive, comparative and evaluative methods. The data analysis methods of this research NPV (*Net Present Value*), IRR (*Internal Rate of Return*), Gross B/C, Net B/C, PP (*Payback Period*).

The coffee processing business in wet method shows the positive value of NPV in amount of (=Rp 431.380); Gross B/C > 1 (=1,001); Net B/C > 1 (=1,004); IRR > i (=11,46%) followed with 2 years and 11 months of PP for the investment of 2012-2016. On the other hand, The coffee processing business in dry method shows the positive value of NPV in amount of (=Rp 144.974.010); Gross B/C > 1 (=1,031); Net B/C > 1 (=2,339); IRR > i (=45,46%) followed with 2 years and 4 months of PP for the investment of 2009. (2) The wet and dry method of the coffee processing business are different in terms of the financial profit rate. The coffee processing business in dry is more profitable compared to the wet method. The NPV of dry method is Rp 144.974.010 and IRR 45,46% while the NPV of wet method is Rp 431.380 and IRR 11,46%. (3) The wet and dry method in coffee processing business are sensitive towards the occurring of input and output change.

Keywords: feasibility, sensitivity, wet method and dry method of coffee processing business.