

**ABSTRACT**

This study was undertaken to assess the potential of the local coffee industry. This study is empirical for the coffee industry because annual production statistics have shown a declining trend in the production of coffee beans. This assessment will aid in the determination of possible reasons for the decline in the industry and assess the immediate and long-term measures that must be implemented to ensure the industry remains viable for future productivity.

The study entailed an investigation of the key players currently involved in the industry. These stakeholders were identified as the coffee farmers, coffee buying agents, coffee manufacturers and coffee consumers. The methods of data collection used were face-face interviews, over the telephone interviews, internet research and studying reports, newsletters and textbooks. With the first two methods primary data was collected (first hand information – little chance of distortion) and the last two methods secondary data was collected. The methods of analysis used were Value Chain Analysis, Competitiveness Analysis and SWOT Analysis.

The results of the study showed the major strength, weakness, opportunity and threat to the coffee industry. They were:

- Strength - Established tradition of cultivating coffee.
- Weakness – Difficulty in sourcing reliable labor
- Opportunity – Strategy formulation can aid in the revitalization of the industry
- Threat – Entry of raw material (coffee beans) competitors

From the investigation conducted, it was concluded that the local coffee industry has the potential to continue if the appropriate strategies are implemented and sustained.