The City of Tasikmalaya has been known as a national handicraft center, one of them is bamboo handicraft. Bamboo handicraft produced by small medium scale enterprises, that need strategy due to many challenges recently. Strength, Weakness, Opportunity and Threat (SWOT) analysis used to determine internal and external factors that affected enterprise. Then, its result used to choose strategy as well as its priority which use to develop the enterprise using Analytical Hierarchy Process (AHP).

Six internal SKB’s factors for strengths are well known and qualified products, continuous promotions, smooth circulation of credit acceptance and payment, well condition of workshop and tools, government supports and loyalty of buyers. Whereas SKB weaknesses are unprofessional management system, lack of foreign language (English) ability, doesn’t has own bamboo plantation as its source of raw materials, inavailability of vision and mission and doesn’t has representative outlet outside Tasikmalaya. In the other hand, four external factors as opportunities are mechanization on production processes, demand of bamboo parquete product, the availability of government contribution of bamboo waste processor machines and sertification of product and process. Whereas three external threats are the appearance of new competitors, declining interest of youth craftsman and decreasing of bamboo potency.

SKB Putra Handicraft is a weak enterprise and againts many threats, so it needs a strategy that minimize its weaknesses to avoid threats. Priorities of development strategy choosen are ability and skills improvement of staff and craftman and company identity making by creative worker.

Keywords: small medium enterprise, bamboo handicraft, SWOT analysis, Analytical Hierarchy Process (AHP).