

AUTOMOTIVE

GM scales back, cancels Cadillac subscription model

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Book by Cadillac's services are winding down. Image credit: Cadillac

By STAFF REPORTS

As part of automaker General Motor's restructuring, its premium brand Cadillac is canceling its subscription service.

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Many automakers have tried to introduce new ownership models to cater to changing consumer behaviors, but Cadillac's subscription endeavor did not make the cut. GM will now be cutting back on the number of salaried employees as well as the number of vehicles produced.

Auto revolution

The automaker's restructure plan is said to save GM \$6 billion a year by 2020.

"The actions we are taking today continue our transformation to be highly agile, resilient and profitable, while giving us the flexibility to invest in the future," said Mary Barra, CEO of General Motors, in a statement. "We recognize the need to stay in front of changing market conditions and customer preferences to position our company for long-term success."

Prior to this, GM announced that it will be canceling Cadillac's subscription service, which allowed consumers to use the automaker's inventory of vehicles for \$1,800 a month.

The program, Book by Cadillac, is only available in New York, Los Angeles and Dallas, but will no longer be in service by the end of this year, likely on Dec. 1.

"Book by Cadillac launched as a pilot program, providing the brand with valuable insights and contributing to Cadillac's ongoing commitment in identifying new and innovative luxury experiences for their customers," the automaker said in the statement. "The brand will use these insights to make adjustments to the Book by Cadillac strategy moving forward. Additional details will be made available at a later date."



Cadillac's XT5. Image credit: Cadillac

Subscribers will have 30 days to return any vehicles being used.

While Cadillac is winding down its service, other luxury automakers are ramping up their subscriptions capabilities.

British automaker Jaguar Land Rover was the latest luxury car brand to launch an all-inclusive car subscription service to keep up with evolving consumer demands.

Since early 2017, automakers including Cadillac, Porsche, BMW and Mercedes-Benz have introduced their own subscription ownership models in limited markets. Carpe, Jaguar Land Rover's subscription offering, gives drivers in the United Kingdom access to new models from both of the group's brands on a membership basis ([see story](#)).

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