

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>CROWE JEFFREY C</u> (Last) (First) (Middle) 13410 SUTTON PARK DRIVE SOUTH (Street) JACKSONVILLE FL 32224 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LANDSTAR SYSTEM INC [LSTR]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chairman & CEO
	3. Date of Earliest Transaction (Month/Day/Year) 05/28/2004	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/28/2004		M		12,852	A	\$9.7383	135,468	D	
Common Stock	05/28/2004		M		34,560	A	\$8.9335	170,028	D	
Common Stock	05/28/2004		M		32,588	A	\$11.7188	202,616	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Options (Right to buy)	\$8.9335	05/28/2004		M ⁽¹⁾			34,560	02/10/2000 ⁽²⁾	02/10/2009	Common Stock	34,560	\$0	8,640	D	
Stock Options (Right to buy)	\$9.7383	05/28/2004		M ⁽¹⁾			12,852	12/09/2003	12/09/2008	Common Stock	12,852	\$0	4,668	D	
Stock Options (Right to buy)	\$11.7188	05/28/2004		M ⁽¹⁾			32,588	02/02/2001 ⁽³⁾	02/02/2010	Common Stock	32,588	\$0	33,012	D	

Explanation of Responses:

- The exercise of stock options reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 17, 2004.
- Options became exercisable in 4 equal annual installments of 8,640 beginning on February 10, 2000.
- Options became exercisable in the amount of 13,120 on February 2, 2001, 13,120 on February 2, 2002 and 6,348 on February 2, 2003

James B. Gattoni, Attorney-in-fact 06/01/2004

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.