

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>Handoush Jim M</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) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Co-Chief Operating Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) 04/23/2010	
	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	04/23/2010		M		24,744	A	\$19.025	45,544	D	
Common Stock	04/23/2010		M		30,000	A	\$26.4688	75,544	D	
Common Stock	04/23/2010		M		6,397	A	\$32.13	81,941	D	
Common Stock	04/23/2010		F		40,135 ⁽¹⁾	D	\$45.1975	41,806	D	
Common Stock								818	I	By Landstar System, Inc 401(k) Savings Plan

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					
Stock Options (Right to Buy)	\$19.025	04/23/2010		M			24,744	01/02/2009	01/02/2014	Common Stock 24,744	\$0	5,256	D	
Stock Options (Right to Buy)	\$26.4688	04/23/2010		M			30,000	07/01/2009	07/01/2014	Common Stock 30,000	\$0	0	D	
Stock Options (Right to Buy)	\$32.13	04/23/2010		M			6,397	(2)	01/27/2015	Common Stock 6,397	\$0	1,603	D	

Explanation of Responses:

- Represents shares withheld to pay the exercise price and tax withholding obligations for options exercised that were granted on 1/2/2004, 7/1/2004 and 1/27/2005.
- Options became exercisable as to 1,599 on 1/27/2006, 1,599 on 1/27/2007, 1,599 on 1/27/2008 and 1,600 on 1/27/2009.

/s/ L. Kevin Stout, attorney-in-
fact 04/27/2010

** 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.

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