

O'Malley Patrick J
 Form 4
 March 18, 2013

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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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 OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 O'Malley Patrick J

(Last) (First) (Middle)

13410 SUTTON PARK DRIVE
 SOUTH

(Street)

JACKSONVILLE, FL 32224

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

LANDSTAR SYSTEM INC [LSTR]

3. Date of Earliest Transaction (Month/Day/Year)

03/14/2013

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 VP, CCO, CMO

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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	03/14/2013		M		14,000	A	\$ 41.57	43,431	D	
Common Stock	03/14/2013		M		2,398	A	\$ 32.13	45,829	D	
Common Stock	03/14/2013		M		2,400	A	\$ 43.66	48,229	D	
Common Stock	03/14/2013		M		1,600	A	\$ 44.32	49,829	D	
Common Stock	03/14/2013		M		23,595	A	\$ 41.57	73,424	D	

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Common Stock	03/14/2013	M	4,661	A	\$ 37.07	78,085	D
Common Stock	03/14/2013	M	5,000	A	\$ 41.8	83,085	D
Common Stock	03/14/2013	F	<u>31,773</u> (1)	D	\$ 56.83	51,312	D
Common Stock	03/14/2013	S	27,352	D	\$ 56.7823 (2)	23,960	D
Common Stock	03/18/2013	M	803	A	\$ 32.13	24,763	D
Common Stock	03/18/2013	M	1,600	A	\$ 43.66	26,363	D
Common Stock	03/18/2013	M	2,400	A	\$ 44.32	28,763	D
Common Stock	03/18/2013	M	2,405	A	\$ 41.57	31,168	D
Common Stock	03/18/2013	M	2,539	A	\$ 37.07	33,707	D

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

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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 Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 41.57	03/14/2013		M	14,000	01/02/2013	01/02/2018	Common Stock	14,000
Stock Options	\$ 32.13	03/14/2013		M	2,398	(3)	01/27/2015	Common Stock	2,398

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(Right to Buy)									
Stock Options (Right to Buy)	\$ 43.66	03/14/2013	M	2,400	(4)	02/02/2016	Common Stock	2,400	
Stock Options (Right to Buy)	\$ 44.32	03/14/2013	M	1,600	(5)	02/01/2017	Common Stock	1,600	
Stock Options (Right to Buy)	\$ 41.57	03/14/2013	M	23,595	01/02/2013	01/02/2018	Common Stock	23,595	
Stock Options (Right to Buy)	\$ 37.07	03/14/2013	M	4,661	(6)	01/29/2020	Common Stock	4,661	
Stock Options (Right to Buy)	\$ 41.8	03/14/2013	M	5,000	(7)	02/03/2021	Common Stock	5,000	
Stock Options (Right to Buy)	\$ 32.13	03/18/2013	M	803	(3)	01/27/2015	Common Stock	803	
Stock Options (Right to Buy)	\$ 43.66	03/18/2013	M	1,600	(4)	02/02/2016	Common Stock	1,600	
Stock Options (Right to Buy)	\$ 44.32	03/18/2013	M	2,400	(5)	02/01/2017	Common Stock	2,400	
Stock Options (Right to Buy)	\$ 41.57	03/18/2013	M	2,405	01/02/2013	01/02/2018	Common Stock	2,405	
Stock Options (Right to Buy)	\$ 37.07	03/18/2013	M	2,539	(6)	01/29/2020	Common Stock	2,539	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
O'Malley Patrick J 13410 SUTTON PARK DRIVE SOUTH JACKSONVILLE, FL 32224			VP, CCO, CMO	

Signatures

/s/ L. Kevin Stout,
attorney-in-fact

03/18/2013

 Signature of Reporting Person

Date

Explanation of Responses:

- * 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).

(1) Represents shares withheld to pay tax withholding obligations.

The price reported is the weighted average sale price for the transactions reported. The prices received ranged from \$56.62 to \$57.05. The reporting person will provide to the issuer, a security holder of the issuer, or the SEC staff, upon request, full information regarding the number of shares sold at each price within the range.

- (3) Options became exercisable as to 1 share on 01/27/2006 and 800 shares in 4 equal annual installments beginning 01/27/2007.
- (4) Options became exercisable in 5 equal annual installments of 800 shares beginning 02/02/2007.
- (5) Options became exercisable in 5 equal annual installments of 800 shares beginning 02/01/2008.
- (6) Options became exercisable in 3 equal annual installments of 2,400 shares beginning 01/29/2011.
- (7) Options became exercisable in 2 equal annual installments of 2,500 shares beginning 02/03/2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.