

B.C.D. 12-17

May 23, 2012

**EMPLOYER STATUS DETERMINATION
Cybernetics & Systems**

This is a determination of the Railroad Retirement Board concerning the continued status of Cybernetics & Systems (Cybernetics), B.A. 9518, as an employer under the Railroad Retirement Act (45 U.S.C. 231 *et seq.*)(RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. 351 *et seq.*)(RUIA).

Cybernetics has been an employer covered by the RRA and the RUIA, with service creditable from January 1, 1972 with regard to those employees who provided computer services to railroad clients. Information regarding this company was provided in an e-mail dated October 7, 2011 from Ms. Janet Dahlseid, Manager, Payroll Tax Reporting of CSX.

Ms. Dahlseid stated that Cybernetics has not had any employees since 1998. Ms. Dahlseid further stated that Cybernetics had been merged into L & N Investment Corporation (L & N). Per the Certificate of Ownership and Merger, effective October 20, 2008, Cybernetics was merged with L & N. Cybernetics had no employees at that time and any assets of Cybernetics were merged with L & N. L & N is a corporation whose sole purpose and function is as owners of several parcels of land, per Sean Craig of CSX (in an e-mail dated October 26, 2011). Cybernetics no longer exists as a separate legal entity. L & N (which includes Cybernetics) provides no services to the railroad industry and does not provide any rail carrier service.

Section 202.11 (20 C.F.R. §202.11) of the Board's regulations states, "[t]he employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status." The evidence of record establishes that Cybernetics no longer possesses the characteristics of an operating railroad company covered under the RRA and the RUIA.

The Board finds that effective with the close of business October 20, 2008, the effective date of the merger with L & N, Cybernetics & Systems ceased being a covered employer under the RRA and the RUIA.

Original signed by:

FOR THE BOARD
Martha P. Rico
Secretary to the Board