AYER WILLIAM S

Form 4

November 08, 2010

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

OMB 3235-0287 Number:

OMB APPROVAL

Check this box if no longer

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

January 31, Expires: 2005

subject to Section 16. Form 4 or Form 5

SECURITIES

Estimated average burden hours per response... 0.5

obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** AYER WILLIAM S	2. Issuer Name and Ticker or Trading Symbol ALASKA AIR GROUP INC [ALK]	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First) (Middle) C/O ALASKA AIR GROUP INC, 19300 INTERNATIONAL BLVD	3. Date of Earliest Transaction (Month/Day/Year) 11/04/2010	(Check all applicable) _X_ Director 10% Owner _X_ Officer (give title Other (specification)) CHAIRMAN, PRESIDENT & CEO		
(Street) SEATTLE, WA 98188	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person _ Form filed by More than One Reporting Person		

(State)

(Zip)

(City)

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

• • • • • • • • • • • • • • • • • • • •		1 able	I - Non-De	erivative S	ecurii	ies Acquire	a, Disposea oi, oi	г вепенсіану	Ownea
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactio Code (Instr. 8)	4. Securition Dispose (Instr. 3, 4	ed of (5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount	(D)	Price	(Instr. 3 and 4)		
COMMON STOCK	11/04/2010		S <u>(1)</u>	10,297	D	\$ 55	40,587	D	
COMMON STOCK	11/05/2010		M(2)	16,513	A	\$ 30.89	57,100	D	
COMMON STOCK	11/05/2010		S(2)	16,513	D	\$ 56.1265	40,587	D	
COMMON STOCK	11/05/2010		S(1)	1,600	D	\$ 56	38,987	D	
COMMON STOCK	11/05/2010		S(1)	9,786	D	\$ 56.0204	29,201	D	

COMMON STOCK (3)

90,338 D

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

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SEC 1474

(9-02)

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 onDerivative Securities Acquired (A) or Disposed (D) (Instr. 3, 4, and 5)	Expiration Day (Month/Day/Y	te	7. Title and Am Underlying Sec (Instr. 3 and 4)	urit
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	or N of
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 30.89	11/05/2010		M(2)	16,51	3 01/30/2003	01/30/2012	COMMON	1

Reporting Owners

Reporting Owner Name / Address	Relationships				
	Director	10% Owner	Officer	Other	

AYER WILLIAM S C/O ALASKA AIR GROUP INC 19300 INTERNATIONAL BLVD SEATTLE, WA 98188

X

CHAIRMAN, PRESIDENT & CEO

Signatures

JEANNE E. GAMMON, ATTORNEY IN FACT FOR WILLIAM S. AYER

11/08/2010

**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) THIS SALE OF SHARES WAS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON AUGUST 4, 2010.

Reporting Owners 2

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- (2) THIS SAME-DAY EXERCISE AND SALE OF OPTIONS WAS EFFECTED PURSUANT TO A RULE 10b-5-1 TRADING PLAN ADOPTED BY MR. AYER ON AUGUST 4, 2010.
- (3) STOCK UNITS AWARDED UNDER THE 2004 LONG-TERM INCENTIVE EQUITY AND 2008 PERFORMANCE INCENTIVE PLANS; NOT YET VESTED BUT NO LONGER SUBJECT TO FORFEITURE.

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.