

AYER WILLIAM S
Form 4/A
November 19, 2004

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
AYER WILLIAM S

(Last) (First) (Middle)
19300 INTERNATIONAL BOULEVARD SOUTH
(Street)

SEATTLE, WA 98188

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ALASKA AIR GROUP INC [ALK]

3. Date of Earliest Transaction (Month/Day/Year)
11/17/2004

4. If Amendment, Date Original Filed (Month/Day/Year)
11/12/2004

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Chairman, President and CEO

6. Individual or Joint/Group Filing (Check Applicable Line)
X 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 Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	11/17/2004		A ⁽¹⁾	15,400 A \$ 0	22,700 ⁽²⁾	D	
Common Stock					3,028 ⁽³⁾	I	ESOP Trust

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

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SEC 1474 (9-02)

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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)
Employee Stock Option (Right to Buy)	\$ 28.85	11/17/2004		A ⁽⁴⁾	20,000	11/10/2005 11/17/2014	Common Stock 20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
AYER WILLIAM S 19300 INTERNATIONAL BOULEVARD SOUTH SEATTLE, WA 98188			Chairman, President and CEO	

Signatures

Shannon K. Alberts for William S. Ayer,
Attorney-in-Fact 11/19/2004

__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).
- Award of restricted stock units granted under the 2004 Long-Term Incentive Equity Plan on November 17, 2004. Units will "cliff" vest
- (1) 100% on November 10, 2007, subject to forfeiture. This award replaces an award originally granted on November 10, 2004, which was canceled.
 - (2) Of the 22,700 shares listed, 7,300 shares were acquired by exercise of stock options on October 9, 2003.
 - (3) Number of shares owned between the Alaska Airlines and Horizon Air 401(k) retirement plans as of November 8, 2004.
- Grant of shares acquired under the Alaska Air Group 2004 Long-Term Incentive Equity Plan. This grant will vest 25% each year for four
- (4) years beginning on November 10, 2005. This grant of stock options replaces the grant originally awarded on November 10, 2004, which was canceled.

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.