

AYER WILLIAM S  
Form 4  
May 05, 2010

**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 \*  
AYER WILLIAM S

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
C/O ALASKA AIR GROUP  
INC, 19300 INTERNATIONAL  
BLVD

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/03/2010

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
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)  
 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 or Price		
COMMON STOCK	05/03/2010		M		3,144 A \$ 31.8	3,144	D
COMMON STOCK	05/03/2010		M		3,237 A \$ 30.89	6,381	D
COMMON STOCK	05/03/2010		M		5,332 A \$ 18.76	11,713	D
COMMON STOCK	05/03/2010		M		3,831 A \$ 26.1	15,544	D
COMMON STOCK	05/03/2010		F		8,849 D \$ 45.2	51,040	D

COMMON  
STOCK <sup>(1)</sup>

90,338 D

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 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
EMP STOCK OPTION (RT TO BUY)	\$ 30.89	05/03/2010		M	3,237	01/30/2003 <sup>(2)</sup> 01/30/2012	COMMON	3,237
EMP STOCK OPTION (RT TO BUY)	\$ 18.76	05/03/2010		M	5,332	02/11/2004 <sup>(3)</sup> 02/11/2013	COMMON	5,332
EMP STOCK OPTION (RT TO BUY)	\$ 31.8	05/03/2010		M	3,144	01/30/2002 <sup>(4)</sup> 01/30/2011	COMMON	3,144
EMP STOCK OPTION (RT TO BUY)	\$ 26.1	05/03/2010		M	3,831	03/01/2005 <sup>(5)</sup> 03/01/2014	COMMON	3,831

## 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 05/05/2010

\*\*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) STOCK UNITS AWARDED UNDER THE 2004 LONG-TERM INCENTIVE EQUITY AND 2008 PERFORMANCE INCENTIVE PLANS; NOT YET VESTED BUT NO LONGER SUBJECT TO FORFEITURE.
- (2) THE OPTIONS VESTED IN EQUAL INSTALLMENTS OVER FOUR YEARS; ALL OPTIONS WERE FULLY VESTED AS OF 01/30/2005.
- (3) THE OPTIONS VESTED IN EQUAL INSTALLMENTS OVER FOUR YEARS; ALL OPTIONS WERE FULLY VESTED AS OF 02/11/2007.
- (4) THE OPTIONS VESTED IN EQUAL INSTALLMENTS OVER FOUR YEARS; ALL OPTIONS WERE FULLY VESTED AS OF 01/30/2005.
- (5) THE OPTIONS VESTED IN EQUAL INSTALLMENTS OVER FOUR YEARS; ALL OPTIONS WERE FULLY VESTED AS OF 03/01/2008.

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.