ALASKA AIR GROUP, INC.
Form 4
February 13, 2014

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
LOVELESS KEITH

(Last) (First) (Middle)

19300 INTERNATIONAL BLVD

(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)
02/11/2014

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/LEGAL & GENERAL COUNSEL

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK ESPP (1)								3,676	D	
COMMON STOCK 401(K) (2)								585	I	ESOP TRUST
RESTRICTED STOCK UNIT	02/11/2014		A(4)		3,130	A	$ 0	16,330	D	
COMMON STOCK	02/11/2014		A(5)		7,080	A	$ 0	20,413	D	
	02/11/2014		F(6)		1,978	D		18,435	D	

COMMON STOCK						$ 77.51		
COMMON STOCK	02/12/2014		M	1,694	A	$ 30.65	20,129	D
COMMON STOCK	02/12/2014		M	2,440	A	$ 16.63	22,569	D
COMMON STOCK	02/12/2014		S	4,134	D	$ 78	18,435	D
COMMON STOCK	02/13/2014		S	2,655	D	$ 77.63	15,780	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 A Underlying S (Instr. 3 and 4
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 77.51	02/11/2014		A		5,910		02/11/2015[(3)]	02/11/2024	COMMON STOCK
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 16.63	02/12/2014		M			2,440	02/03/2011	02/03/2020	COMMON STOCK
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 30.65	02/12/2014		M			1,694	02/07/2012	02/07/2021	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LOVELESS KEITH 19300 INTERNATIONAL BLVD SEATTLE, WA 98188			VP/LEGAL & GENERAL COUNSEL	

Signatures

/S/JEANNE E. GAMMON, ATTORNEY IN FACT FOR KEITH LOVELESS	02/13/2014
**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)	COMMON SHARES ACQUIRED UNDER THE ALASKA AIR GROUP, INC. 2010 EMPLOYEE STOCK PURCHASE PLAN, AS OF 12/31/13.
(2)	COMMON SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST, AS OF 12/31/13.
(3)	OPTIONS VEST IN 25% INCREMENTS OVER FOUR YEARS (02/11/2015, 02/11/2016, 02/11/2017 AND 02/11/2018).
(4)	STOCK UNITS AWARDED UNDER THE ALASKA AIR GROUP, INC. 2008 PERFORMANCE INCENTIVE PLAN ON 2/11/2014 WILL CLIFF VEST ON 2/11/2017. UNITS ARE NO LONGER SUBJECT TO FORFEITURE.
(5)	COMMON SHARES ISSUED UPON ATTAINING PERFORMANCE GOALS SET FOR A THREE-YEAR PERIOD ENDING 12/31/2013 IN ACCORDANCE WITH THE TERMS OF A PERFORMANCE STOCK UNIT AWARD GRANTED ON 2/7/2011 UNDER THE ISSUER'S 2008 PERFORMANCE INCENTIVE PLAN; PER APPROVAL BY THE BOARD'S COMPENSATION COMMITTEE ON 2/11/14.
(6)	COMMON SHARES FORFEITED TO COVER PAYROLL TAXES UPON VESTING OF PERFORMANCE STOCK UNITS ON 02/11/2014.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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