

AYER WILLIAM S

Form 4

May 05, 2011

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
AYER WILLIAM S

(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)

05/04/2011

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 ____ Other (specify
below) below)

CHAIR, 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 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)
COMMON STOCK					38,012	D	
COMMON STOCK ⁽¹⁾					69	I	ESOP TRUST
RESTRICTED STOCK UNIT ⁽²⁾					85,413	D	
COMMON STOCK	05/04/2011		M ⁽³⁾	26,400 A	\$ 27.49	64,412	D
COMMON STOCK	05/04/2011		S ⁽⁵⁾	26,400 D	\$ 67	38,012	D

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COMMON STOCK	05/05/2011	M ⁽⁶⁾	13,200	A	\$ 27.49	51,212	D
COMMON STOCK	05/05/2011	S ⁽⁹⁾	13,200	D	\$ 68	38,012	D

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

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(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 Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 27.49	05/04/2011		M ⁽⁴⁾	26,400	02/08/2009	02/08/2018	COMMON STOCK
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 27.49	05/05/2011		M ⁽⁷⁾	13,200	02/08/2009 ⁽⁸⁾	02/08/2018	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
AYER WILLIAM S 19300 INTERNATIONAL BLVD SEATTLE, WA 98188	CHAIR, PRESIDENT AND CEO

Signatures

/s/ Jeanne Gammon, Attorney-in-Fact for William S. Ayer

05/05/2011

__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) SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST AS OF DECEMBER 31, 2010.
- (2) STOCK UNITS AWARDED UNDER THE 2008 PERFORMANCE INCENTIVE PLAN; NO LONGER SUBJECT TO FORFEITURE.
- (3) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.
- (4) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.
- (5) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.
- (6) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.
- (7) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.
- (8) OPTIONS VEST IN FOUR ANNUAL EQUAL INSTALLMENTS; REMAINING 13200 OPTIONS WILL VEST ON 02/08/12.
- (9) SAME-DAY EXERCISE AND SALE OF OPTIONS EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 01/26/2011.

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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