

AYER WILLIAM S  
Form 4  
March 27, 2013

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
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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)  
19300 INTERNATIONAL BLVD  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
03/25/2013

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title below) \_\_\_\_\_ Other (specify below)  
EXECUTIVE CHAIR

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

(City) (State) (Zip)

**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)
RESTRICTED STOCK UNIT (1)					15,645	D	
COMMON STOCK	03/25/2013		M(2)	1,400 A	\$ 21.425 115,180	D	
COMMON STOCK	03/25/2013		S(2)	1,400 (3) D	\$ 63.0671 113,780	D	
COMMON STOCK	03/26/2013		M(2)	300 A	\$ 21.425 114,080	D	
COMMON STOCK	03/26/2013		S(2)	300 D	\$ 63 113,780	D	

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COMMON STOCK	03/27/2013	M <sup>(2)</sup>	600	A	\$ 21.425	114,380	D
COMMON STOCK	03/27/2013	S <sup>(2)</sup>	600 <sup>(4)</sup>	D	\$ 63.115	113,780	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 Security (Instr. 3 and 4)	Am or Num of Sha
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 21.425	03/25/2013		M <sup>(2)</sup>	1,400	01/31/2008 01/31/2017	COMMON STOCK	1,
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 21.425	03/26/2013		M <sup>(2)</sup>	300	01/31/2008 01/31/2017	COMMON STOCK	3
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 21.425	03/27/2013		M <sup>(2)</sup>	600	01/31/2008 01/31/2017	COMMON STOCK	6

## Reporting Owners

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

## Signatures

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

03/27/2013

\_\_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 2008 PERFORMANCE INCENTIVE PLAN; NO LONGER SUBJECT TO FORFEITURE.
- (2) SAME-DAY EXERCISE OF OPTIONS AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 3/13/13.

THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$63.00 TO \$63.50, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO

- (3) PROVIDE TO ALASKA AIR GROUP, ANY SECURITY HOLDER OF ALASKA AIR GROUP, OR THE STAFF OF THE SECURITIES AND EXCHANGE COMMISSION, UPON REQUEST, FULL INFORMATION REGARDING THE NUMBER OF SHARES SOLD AT EACH SEPARATE PRICE WITHIN THE RANGES SET FORTH IN THIS FOOTNOTE.

- THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$63.00 TO \$63.39, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO
- (4) PROVIDE TO ALASKA AIR GROUP, ANY SECURITY HOLDER OF ALASKA AIR GROUP, OR THE STAFF OF THE SECURITIES AND EXCHANGE COMMISSION, UPON REQUEST, FULL INFORMATION REGARDING THE NUMBER OF SHARES SOLD AT EACH SEPARATE PRICE WITHIN THE RANGES SET FORTH IN THIS FOOTNOTE.

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.