AYER WILLIAM S
Form 4
November 05, 2012

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 *
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)
11/01/2012

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)
EXECUTIVE CHAIR

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			
RESTRICTED STOCK UNIT (1)								59,600	D	
COMMON STOCK	11/01/2012		M(2)		39,734	A	$ 13.78	146,082	D	
COMMON STOCK	11/01/2012		S(2)		39,734	D	$ 39	106,348	D	
COMMON STOCK	11/01/2012		S(3)		36,300 (4)	D	$ 38.8961	70,048	D	
COMMON STOCK	11/02/2012		M(2)		3,342	A	$ 13.78	73,390	D	

COMMON STOCK	11/02/2012	S[(2)]	3,342 [(5)]	D	$ 39.0657	70,048	D
COMMON STOCK	11/05/2012	M[(2)]	25,650	A	$ 13.78	95,698	D
COMMON STOCK	11/05/2012	S[(2)]	25,650 [(6)]	D	$ 40.007	70,048	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 Amou Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	A or N of
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 13.78	11/01/2012		M[(2)]			39,734	01/29/2012	01/29/2019	COMMON STOCK	3
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 13.78	11/02/2012		M[(2)]			3,342	01/29/2012	01/29/2019	COMMON STOCK	3
EMPLOYEE STOCK OPTION (RT TO BUY)	$ 13.78	11/05/2012		M[(2)]			25,650	01/29/2012	01/29/2019	COMMON STOCK	2

Reporting Owners

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

SEATTLE, WA 98188

Signatures

/s/ Jeanne Gammon, Attorney-in-Fact for William S. Ayer — 11/05/2012

**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 8/16/12.

(3) SALE OF COMMON STOCK EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 8/16/12.

(4) THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM $38,50 TO $39.00, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO 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.

(5) THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM $39.00 TO $39.20, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO 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.

(6) THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM $40.00 TO $40.1088, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO 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.
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