

LOVELESS KEITH
Form 4
July 28, 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 *
LOVELESS KEITH

(Last) (First) (Middle)

ALASKA AIRLINES INC, 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)

07/26/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
X 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 | 07/26/2010 | | M | 4,900 A \$ 25.2 | 4,900 | D | |
| COMMON STOCK | 07/26/2010 | | S | 4,900 D \$ 51.3901 | 0 | D | |
| COMMON STOCK | | | | | 7,849 | D | |
| COMMON STOCK (1) | | | | | 14,880 | D | |
| COMMON STOCK (2) | | | | | 742 | D | |

COMMON STOCK ⁽³⁾ 345 I ESOP TRUST

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.

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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 Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| EMP STOCK OPTION (RT TO BUY) | \$ 25.2 | 07/26/2010 | | M | 4,900 | 11/12/2002 ⁽⁴⁾ 11/12/2011 | COMMON 4,900 |

Reporting Owners

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

Signatures

KAREN A. GRUEN, ATTORNEY IN FACT FOR KEITH LOVELESS 07/28/2010

**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) SHARES ACQUIRED UNDER THE ALASKA AIR GROUP, INC. EMPLOYEE STOCK PURCHASE PLAN AS OF DECEMBER 31, 2009.
- (3) SHARES HELD IN AN ALASKA AIR GROUP, INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST AS OF DECEMBER 31, 2009.
- (4) OPTIONS VESTED IN FOUR EQUAL ANNUAL INSTALLMENTS ON 11/12/2002, 11/12/2003, 11/12/2004 AND 11/12/2005.

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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