

SARETSKY GREGG A
 Form 4
 November 08, 2004

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 *
 SARETSKY GREGG A

(Last) (First) (Middle)
 19300 INTERNATIONAL BOULEVARD SOUTH
 (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)
 11/05/2004

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)
 Exec VP, Marketing & Planning

6. Individual or Joint/Group Filing (Check Applicable Line)
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 11/05/2004 | | M ⁽¹⁾ | 5,199 A | \$ 18.76 | 5,199 | D |
| Common Stock | 11/05/2004 | | S ⁽²⁾ | 5,199 D | \$ 28.308 | 0 | D |
| Common Stock ⁽³⁾ | | | | | | 956 | I ESOP Trust |

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

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SEC 1474 (9-02)

number.

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Employee Stock Option (Rt to Buy) | \$ 18.76 | 11/05/2004 | | M | 5,199 | 02/11/2004 02/11/2013 | Common Stock | 5,199 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SARETSKY GREGG A 19300 INTERNATIONAL BOULEVARD SOUTH SEATTLE, WA 98188 | | | Exec VP, Marketing & Planning | |

Signatures

Shannon K. Alberts for Gregg A. Saretsky,
Attorney-in-Fact

11/08/2004

__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) Aquisition of shares granted on February 11, 2003 under the 2004 Long-Term Incentive Equity Plan. The options vest 25 percent each year for four years beginning on the date of grant.
- (2) Same-day exercise and sale from the stock option grant of February 11, 2004 at an exercise price of \$18.76 which is covered by an S-8 registration statement.
- (3) Shares acquired under an Employee Stock Ownership Plan as of December 31, 2003 with prices ranges from \$15.28 to \$31.86.

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.