

DOBBS KELLEY J
Form 4
February 22, 2012

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 *
DOBBS KELLEY J

(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)
02/17/2012

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)

VP/HUMAN RESOURCES

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| RESTRICTED STOCK UNIT (1) | | | | | 6,610 | D | |
| COMMON STOCK 401(K) (2) | | | | | 1,240 | I | ESOP TRUST |
| COMMON STOCK | 02/17/2012 | | M | 2,370 A \$ 27.49 | 11,779 | D | |
| COMMON STOCK | 02/17/2012 | | M | 3,682 A \$ 27.56 | 15,461 | D | |
| | 02/17/2012 | | M | 935 A \$ 33.26 | 16,396 | D | |

COMMON
STOCK

| | | | | | | | | |
|-----------------|------------|--|---|-------|---|---------------|--------|---|
| COMMON STOCK | 02/17/2012 | | M | 652 | A | \$ 61.3 | 17,048 | D |
| COMMON STOCK | 02/17/2012 | | S | 5,047 | D | \$ 77.4006 | 12,001 | D |
| COMMON STOCK | 02/17/2012 | | S | 7,639 | D | \$ 77.5561 | 4,362 | 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 | 02/17/2012 | | M | 2,370 | 02/08/2009 | 02/08/2018 | COMMON STOCK |
| EMPLOYEE STOCK OPTION (RT TO BUY) | \$ 27.56 | 02/17/2012 | | M | 3,682 | 01/29/2010 ⁽³⁾ | 01/29/2019 | COMMON STOCK |
| EMPLOYEE STOCK OPTION (RT TO BUY) | \$ 33.26 | 02/17/2012 | | M | 935 | 02/03/2011 ⁽⁴⁾ | 02/03/2020 | COMMON STOCK |
| EMPLOYEE STOCK OPTION (RT TO BUY) | \$ 61.3 | 02/17/2012 | | M | 652 | 02/07/2012 ⁽⁵⁾ | 02/07/2021 | COMMON STOCK |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------|-------|
| | Director | 10% Owner | Officer | Other |
| DOBBS KELLEY J 19300 INTERNATIONAL BLVD SEATTLE, WA 98188 | | | VP/HUMAN RESOURCES | |

Signatures

/s/ Jeanne Gammon Attorney-in-Fact for Kelley J.
Dobbs

02/22/2012

__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 ALASKA AIR GROUP, INC. 2008 PERFORMANCE INCENTIVE PLAN; SUBJECT TO FORFEITURE.
 - (2) SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST AS OF DECEMBER 31, 2011.
 - (3) REMAINING OPTIONS WILL VEST IN FULL ON 01/29/2013.
 - (4) REMAINING OPTIONS WILL VEST AS FOLLOWS: 935 ON 02/03/2013 AND 935 ON 02/03/2014.
 - (5) REMAINING OPTIONS WILL VEST AS FOLLOWS: 653 ON 02/07/2013; 652 ON 02/07/2014; AND 653 ON 02/07/2015.

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.