

DOBBS KELLEY J  
Form 4  
February 14, 2011

**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)

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)

02/10/2011

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/HR & LABOR RELATIONS

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 or (D) Price   |   |  |   |
| COMMON STOCK                    | 02/10/2011                           |  | M                              | 2,370 A \$ 27.49  | 8,561   | D  |   |
| COMMON STOCK                    | 02/10/2011                           |  | M                              | 935 A \$ 33.26  | 9,496   | D  |   |
| COMMON STOCK                    | 02/10/2011                           |  | S                              | 3,305 D \$ 62.5997  | 6,191   | D  |   |
| COMMON STOCK                    | 02/11/2011                           |  | S                              | 2,929 D \$ 63.7703  | 4,362   | D  |   |
| COMMON STOCK <u>(1)</u>         |                                      |  |                                |   | 12,430  | D  |   |

|                            |       |   |               |
|----------------------------|-------|---|---------------|
| COMMON<br>STOCK <u>(2)</u> | 1,126 | I | ESOP<br>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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| EMPLOYEE STOCK OPTION (RT TO BUY)          | \$ 27.49   | 02/10/2011                           |  | M                              | 2,370   | 02/08/2011 <sup>(3)</sup> 02/08/2018                     | COMMON  |
| EMPLOYEE STOCK OPTION (RT TO BUY)          | \$ 33.26   | 02/10/2011                           |  | M                              | 935   | 02/03/2011 <sup>(4)</sup> 02/03/2020                     | COMMON  |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                         |       |
|--|---------------|-----------|-------------------------|-------|
|  | Director      | 10% Owner | Officer                 | Other |
| DOBBS KELLEY J<br>ALASKA AIRLINES, INC.<br>19300 INTERNATIONAL BLVD<br>SEATTLE, WA 98188 |               |           | VP/HR & LABOR RELATIONS |       |

## Signatures

|   |            |
|---|------------|
| JEANNE E. GAMMON, ATTORNEY IN FACT FOR KELLEY J.<br>DOBBS | 02/14/2011 |
|---|------------|

\*\*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; SUBJECT TO FORFEITURE.
- (2) SHARES HELD IN AN ALASKA AIR GROUP, INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST AS OF DECEMBER 31, 2010.
- (3) OPTIONS VESTED IN FOUR EQUAL ANNUAL INSTALLMENTS FROM DATE OF GRANT; REMAINING OPTIONS VEST ON 2/8/2012.
- (4) OPTIONS VEST IN FOUR EQUAL ANNUAL INSTALLMENTS FROM DATE OF GRANT; REMAINING OPTIONS VEST ON 2/3/12, 2/3/13 AND 2/3/14.

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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