

HARRISON ANDREW R
 Form 4
 July 30, 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 *
 HARRISON ANDREW R

2. Issuer Name and Ticker or Trading Symbol
 ALASKA AIR GROUP, INC.
 [ALK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 07/27/2012

____ Director _____ 10% Owner
 ____ Officer (give title below) ____ Other (specify below)
 VP/PLNG & REV MGMT

C/O ALASKA AIRLINES, INC., 19300 INTERNATIONAL BLVD

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

SEATTLE, WA 98188

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V Amount (D) Price			
COMMON STOCK					2,308 ⁽¹⁾	D	
RESTRICTED STOCK UNIT ⁽²⁾					6,820 ⁽¹⁾	D	
COMMON STOCK	07/27/2012		M	<u>2,500</u> ⁽¹⁾ A \$ 9.905	4,808	D	
COMMON STOCK	07/27/2012		M	<u>1,050</u> ⁽¹⁾ A \$ 30.65	5,858	D	

COMMON STOCK 07/27/2012 S 3,550 D \$ 34.4322 2,308 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 Securities (Instr. 3 and 4)
EMPLOYEE STOCK OPTION (RT TO BUY) ⁽¹⁾	\$ 9.905	07/27/2012		M	2,500	04/25/2009 04/25/2018	COMMON STOCK
EMPLOYEE STOCK OPTION (RT TO BUY) ⁽¹⁾	\$ 30.65	07/27/2012		M	1,050	02/07/2012 02/07/2021	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HARRISON ANDREW R C/O ALASKA AIRLINES, INC. 19300 INTERNATIONAL BLVD SEATTLE, WA 98188			VP/PLNG & REV MGMT	

Signatures

JEANNE E GAMMON, ATTORNEY IN FACT FOR ANDREW R. HARRISON 07/30/2012

 **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) ALASKA AIR GROUP, INC. (ALK) COMMON STOCK WAS SPLIT IN A TWO-FOR-ONE TRANSACTION ON MARCH 16, 2012. SHARES AND PRICES HAVE BEEN ADJUSTED TO GIVE EFFECT TO THE SPLIT.
- (2) STOCK UNITS AWARDED UNDER ALASKA AIR GROUP'S 2008 PERFORMANCE INCENTIVE PLAN; SUBJECT TO FORFEITURE.

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.