

**FORM 3****UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES****OMB APPROVAL**

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
 or Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person*</b> <u>FINAN KEVIN P</u>  (Last) (First) (Middle) <u>ALASKA AIRLINES INC</u> <u>19300 INTERNATIONAL BLVD SO</u>  (Street) <u>SEATTLE WA 98188</u>  (City) (State) (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> <u>01/12/2006</u>	<b>3. Issuer Name and Ticker or Trading Symbol</b> <u>ALASKA AIR GROUP INC [ ALK ]</u>  <b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EXEC VP OPERATIONS</u>  <b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b>  <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person	
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**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
COMMON STOCK <sup>(1)</sup>	224	I	ESOP TRUST
COMMON STOCK	155	D	
COMMON STOCK <sup>(2)</sup>	10,760	D	

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee Stock Option (Rt to Buy)	07/26/2001	07/26/2010	Common Stock	14,500	28.5625	D	
Employee Stock Option (Rt to Buy)	01/30/2002	01/30/2011	Common Stock	14,800	31.8	D	
Employee Stock Option (Rt to Buy)	11/12/2002	11/12/2011	Common Stock	17,700	25.2	D	
Employee Stock Option (Rt to Buy)	02/11/2004	02/11/2013	Common Stock	17,700	18.76	D	
Employee Stock Option (Rt to Buy)	03/01/2005	03/01/2014	Common Stock	8,800	26.1	D	
Employee Stock Option (Rt to Buy)	08/30/2006	08/30/2015	Common Stock	8,800	32.96	D	

**Explanation of Responses:**

1. Shares held in trust in connection with 401(k) Plan.  
 2. Shares held in connection with employee restricted stock awards

Shannon K. Alberts for Kevin P. Finan, Attorney-In-Fact 01/23/2006

\*\* Signature of Reporting Person Date

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

\* If the form is filed by more than one reporting person, see Instruction 5 (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).

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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