

**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**

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>LOVELESS KEITH</u>  (Last) (First) (Middle) <u>19300 INTERNATIONAL BLVD</u>  (Street) <u>SEATTLE WA 98188</u>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>ALASKA AIR GROUP, INC. [ ALK ]</u>  <b>3. Date of Earliest Transaction (Month/Day/Year)</b> <u>02/11/2014</u>  <b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP/LEGAL &amp; GENERAL COUNSEL</u>  <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 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	(A) or (D)	Price			
COMMON STOCK ESPP <sup>(1)</sup>								3,676	D	
COMMON STOCK 401(K) <sup>(2)</sup>								585	I	ESOP TRUST
RESTRICTED STOCK UNIT	02/11/2014		A <sup>(4)</sup>		3,130	A	\$0	16,330	D	
COMMON STOCK	02/11/2014		A <sup>(5)</sup>		7,080	A	\$0	20,413	D	
COMMON STOCK	02/11/2014		F <sup>(6)</sup>		1,978	D	\$77.51	18,435	D	
COMMON STOCK	02/12/2014		M		1,694	A	\$30.65	20,129	D	
COMMON STOCK	02/12/2014		M		2,440	A	\$16.63	22,569	D	
COMMON STOCK	02/12/2014		S		4,134	D	\$78	18,435	D	
COMMON STOCK	02/13/2014		S		2,655	D	\$77.63	15,780	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
EMPLOYEE STOCK OPTION (RT TO BUY)	\$77.51	02/11/2014		A		5,910		02/11/2015 <sup>(3)</sup>	02/11/2024	COMMON STOCK	5,910	\$0	5,910	D	
EMPLOYEE STOCK OPTION (RT TO BUY)	\$16.63	02/12/2014		M			2,440	02/03/2011	02/03/2020	COMMON STOCK	2,440	\$0	0	D	
EMPLOYEE STOCK OPTION (RT TO BUY)	\$30.65	02/12/2014		M			1,694	02/07/2012	02/07/2021	COMMON STOCK	1,694	\$0	1,696	D	

**Explanation of Responses:**

- COMMON SHARES ACQUIRED UNDER THE ALASKA AIR GROUP, INC. 2010 EMPLOYEE STOCK PURCHASE PLAN, AS OF 12/31/13.
- COMMON SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST, AS OF 12/31/13.
- OPTIONS VEST IN 25% INCREMENTS OVER FOUR YEARS (02/11/2015, 02/11/2016, 02/11/2017 AND 02/11/2018).
- STOCK UNITS AWARDED UNDER THE ALASKA AIR GROUP, INC. 2008 PERFORMANCE INCENTIVE PLAN ON 2/11/2014 WILL CLIFF VEST ON 2/11/2017. UNITS ARE NO LONGER SUBJECT TO FORFEITURE.
- COMMON SHARES ISSUED UPON ATTAINING PERFORMANCE GOALS SET FOR A THREE-YEAR PERIOD ENDING 12/31/2013 IN ACCORDANCE WITH THE TERMS OF A PERFORMANCE STOCK UNIT AWARD GRANTED ON 2/7/2011 UNDER THE ISSUER'S 2008 PERFORMANCE INCENTIVE PLAN; PER APPROVAL BY THE BOARD'S COMPENSATION COMMITTEE ON 2/11/14.
- COMMON SHARES FORFEITED TO COVER PAYROLL TAXES UPON VESTING OF PERFORMANCE STOCK UNITS ON 02/11/2014.

/S/JEANNE E. GAMMON,  
ATTORNEY IN FACT FOR 02/13/2014  
KEITH LOVELESS

\*\* 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 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).

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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