FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person [*]
PEDERSEN BRANDON

(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)
05/21/2014

4. If Amendment, Date of 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)
EXEC VP/FINANCE & CFO

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	(A) or (D)	Price			
RESTRICTED STOCK UNIT [1]								10,260	D	
COMMON STOCK	05/21/2014		M [2]		2,000	A	$ 13.78	17,233	D	
COMMON STOCK	05/21/2014		M [2]		2,000	A	$ 16.63	19,233	D	
COMMON STOCK	05/21/2014		S [2]		4,000	D	$ 95.61	15,233	D	
COMMON STOCK	05/21/2014		S [3]		1,000	D	$ 95.61	14,233	D	

<table>
<tr><th colspan="13">Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)</th></tr>
<tr>
<td rowspan="2">1. Title of Derivative Security (Instr. 3)</td>
<td rowspan="2">2. Conversion or Exercise Price of Derivative Security</td>
<td rowspan="2">3. Transaction Date (Month/Day/Year)</td>
<td rowspan="2">3A. Deemed Execution Date, if any (Month/Day/Year)</td>
<td colspan="2">4. Transaction Code (Instr. 8)</td>
<td colspan="2">5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)</td>
<td colspan="2">6. Date Exercisable and Expiration Date (Month/Day/Year)</td>
<td colspan="2">7. Title and Amount of Underlying Securities (Instr. 3 and 4)</td>
<td rowspan="2">8. Price of Derivative Security (Instr. 5)</td>
<td rowspan="2">9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)</td>
<td rowspan="2">10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)</td>
<td rowspan="2">11. Nature of Indirect Beneficial Ownership (Instr. 4)</td>
</tr>
<tr>
<td>Code</td>
<td>V</td>
<td>(A)</td>
<td>(D)</td>
<td>Date Exercisable</td>
<td>Expiration Date</td>
<td>Title</td>
<td>Amount or Number of Shares</td>
</tr>
<tr>
<td>EMPLOYEE STOCK OPTION (RT TO BUY)</td>
<td>$ 13.78</td>
<td>05/21/2014</td>
<td></td>
<td>M(2)</td>
<td></td>
<td></td>
<td>2,000</td>
<td>01/29/2010</td>
<td>01/29/2019</td>
<td>COMMON STOCK</td>
<td>2,000</td>
<td>$ 0</td>
<td>0</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>EMPLOYEE STOCK OPTION (RT TO BUY)</td>
<td>$ 16.63</td>
<td>05/21/2014</td>
<td></td>
<td>M(2)</td>
<td></td>
<td></td>
<td>2,000</td>
<td>02/03/2011</td>
<td>02/03/2020</td>
<td>COMMON STOCK</td>
<td>2,000</td>
<td>$ 0</td>
<td>3,120</td>
<td>D</td>
<td></td>
</tr>
</table>

Explanation of Responses:

1. STOCK UNITS AWARDED UNDER THE 2008 PERFORMANCE INCENTIVE PLAN; SUBJECT TO FORFEITURE.

2. SAME-DAY EXERCISE OF OPTIONS AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. PEDERSEN ON 5/14/14.

3. SALE OF SHARES EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. PEDERSEN ON 05/14/14.

/S/ JEANNE E. GAMMON, ATTORNEY IN FACT FOR BRANDON S. PEDERSEN   05/22/2014

** 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.

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 Number.