

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**OMB APPROVAL**

OMB Number: 3235-0287  
 Estimated average burden  
 hours per response: 0.5

☐ 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

1. Name and Address of Reporting Person* <u>LOVELESS KEITH</u>  (Last) (First) (Middle) <u>19300 INTERNATIONAL BLVD</u>  (Street) <u>SEATTLE WA 98188</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ALASKA AIR GROUP, INC. [ ALK ]</u>  3. Date of Earliest Transaction (Month/Day/Year) <u>05/16/2014</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EXEC VP/LEGAL &amp; GEN COUNSEL</u>
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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 <sup>(1)</sup>								16,330	D	
COMMON STOCK	05/16/2014		M		1,170	A	\$40.45	9,912	D	
COMMON STOCK	05/16/2014		M		2,490	A	\$48.8	12,402	D	
COMMON STOCK	05/16/2014		S		3,660	D	\$95.4	8,742	D	
COMMON STOCK ESPP <sup>(2)</sup>	05/16/2014		S		3,031	D	\$95.4	993	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		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
EMPLOYEE STOCK OPTION (RT TO BUY)	\$40.45	05/16/2014		M		1,170	11/07/2013	11/07/2022	COMMON STOCK	1,170	\$0	6,560	D	
EMPLOYEE STOCK OPTION (RT TO BUY)	\$48.8	05/16/2014		M		2,490	02/11/2014	02/11/2023	COMMON STOCK	2,490	\$0	7,470	D	

**Explanation of Responses:**

1. STOCK UNITS AWARDED UNDER THE 2008 PERFORMANCE INCENTIVE PLAN; NOT YET VESTED BUT NO LONGER SUBJECT TO FORFEITURE.  
 2. COMMON SHARES ACQUIRED UNDER THE ISSUER'S 2010 EMPLOYEE STOCK PURCHASE PLAN BETWEEN 01/01/2014 AND 02/28/2014.

/S/JEANNE E. GAMMON,  
ATTORNEY IN FACT FOR 05/19/2014  
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.

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.