

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): March 17, 2003

ALASKA AIR GROUP, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-8957

91-1292054

(State or Other Jurisdiction of Incorporation)

(Commission File Number)

(IRS Employer Identification Number)

19300 Pacific Highway South, Seattle, Washington

98188

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code (206) 431-7040

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ITEM 5. OTHER EVENTS

On March 17, 2003, Alaska Air Group, Inc. issued a press release announcing the Company's intention to make a private offering of floating rate senior convertible notes due 2023, subject to market and other conditions.

The press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by this reference.

ITEM 7. EXHIBITS

99.1 Press Release dated March 17, 2003

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

March 18, 2003

ALASKA AIR GROUP, INC.

/s/ Terri K. Maupin

Terri K. Maupin
Staff Vice President/Finance and Controller

March 18, 2003

/s/ Bradley D. Tilden

Bradley D. Tilden
Executive Vice President/Finance and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
99.1	Press Release dated March 17, 2003

ALASKA AIR GROUP, INC. COMMENCES PRIVATE PLACEMENT OF FLOATING RATE SENIOR
CONVERTIBLE NOTES DUE 2023

March 17, 2003 08:51 PM EST, Eastern US

SEATTLE--March 17, 2003--Alaska Air Group, Inc. announced today that it is commencing a private placement of an expected \$125 million of floating rate senior convertible notes due 2023.

The private placement will be conducted pursuant to Rule 144A of the Securities Act of 1933, as amended. An additional \$25 million of notes may be sold to satisfy any overallotment.

The notes would be convertible, at the option of the holder, only upon the occurrence of certain events into shares of ALK's common stock at a conversion rate to be determined at the time of pricing.

The notes will be senior unsecured obligations and will rank equally with the company's future senior unsecured indebtedness.

A portion of the net proceeds from the offering will be used to purchase U.S. government securities, the proceeds of which will act as collateral for the first 3 years of interest payments on the notes. The company intends to use the remaining net proceeds from the offering for working capital requirements and general corporate purposes.

The notes and the common stock issuable upon conversion of the notes will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy the notes.

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