

ALASKA AIR GROUP INC

Form 4

February 02, 2009

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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 OF
SECURITIES**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
PEDERSEN BRANDON

(Last) (First) (Middle)

**ALASKA AIRLINES INC, 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)

01/29/2009

4. If Amendment, Date 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)

VP FINANCE & CONTROLLER

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 Ownership (Instr. 4)
COMMON STOCK <u>(1)</u>	01/29/2009		A	3,290	A \$ 0 3,290	D	
COMMON STOCK <u>(2)</u>					10,140	D	

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

**Persons who respond to the collection of
information contained in this form are not
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(9-02)

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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 Underlying Securities (Instr. 3 and 4)
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 27.56	01/29/2009		A ⁽³⁾	7,000	01/29/2010 01/29/2019	COMMON STOCK 7,000

Reporting Owners

Reporting Owner Name / Address	Relationships
PEDERSEN BRANDON ALASKA AIRLINES INC 19300 INTERNATIONAL BLVD SEATTLE, WA 98188	Director 10% Owner Officer Other VP FINANCE & CONTROLLER

Signatures

KAREN A. GRUEN, ATTORNEY IN FACT FOR BRANDON S. PEDERSEN

02/02/2009

__Signature of Reporting Person

Date

Explanation of Responses:

* 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).

- STOCK UNITS GRANTED UNDER 2008 PERFORMANCE INCENTIVE EQUITY PLAN ON JANUARY 29, 2009. UNITS WILL "CLIFF" VEST ON JANUARY 29, 2012, SUBJECT TO FORFEITURE.
- STOCK UNITS AWARDED UNDER THE 2004 LONG-TERM INCENTIVE EQUITY PLAN; SUBJECT TO FORFEITURE.
- GRANT OF NON-QUALIFIED STOCK OPTIONS UNDER THE 2008 PERFORMANCE INCENTIVE PLAN. THIS GRANT WILL VEST 25% EACH YEAR FOR FOUR YEARS; FIRST 25% INCREMENT TO VEST ON JANUARY 29, 2009.

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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