

FORM 3**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**OMB APPROVAL**

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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>SCHAEFER JOHN F JR</u> (Last) (First) (Middle) <u>C/O ALASKA AIR GROUP INC</u> <u>19300 INTERNATIONAL BLVD</u> (Street) <u>SEATTLE WA 98188</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>03/09/2006</u>	3. Issuer Name and Ticker or Trading Symbol <u>ALASKA AIR GROUP INC [ALK]</u> 4. 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>STAFF VP/FINANCE AND TREASURER</u> 5. 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	
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
COMMON STOCK ⁽¹⁾	1,000	D	
COMMON STOCK ⁽²⁾	118	I	ESOP TRUST

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
EMPLOYEE STOCK OPTION (RT TO BUY)	05/13/1999 ⁽³⁾	05/13/2008	COMMON STOCK	500	47	D	
EMPLOYEE STOCK OPTION (RT TO BUY)	01/30/2002 ⁽³⁾	01/30/2011	COMMON STOCK	1,000	31.8	D	
EMPLOYEE STOCK OPTION (RT TO BUY)	11/12/2002 ⁽³⁾	11/12/2011	COMMON STOCK	250	25.2	D	

Explanation of Responses:

1. SHARES HELD IN CONNECTION WITH RESTRICTED STOCK AWARDS
 2. SHARES HELD IN TRUST IN CONNECTION WITH 401(K) PLAN
 3. THE OPTIONS VESTED IN FOUR EQUAL ANNUAL INSTALLMENTS, AND ARE NOW FULLY VESTED.

SHANNON K. ALBERTS FOR
JOHN F SCHAEFER JR. 03/13/2006
ATTORNEY-IN-FACT

** 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 5 (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.