

RAYONIER INC
Form 4
December 03, 2004

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 *
O GRADY JOHN P

(Last) (First) (Middle)

**50 NORTH LAURA
STREET, 19TH FLOOR**

(Street)

JACKSONVILLE, FL 32202

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
RAYONIER INC [RYN]

3. Date of Earliest Transaction
(Month/Day/Year)
12/01/2004

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) below)

Senior Vice President

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 | |
| Common Shares | 12/01/2004 | | M | | 24,927 | A | \$ 23.94 | 124,921.57 D |
| Common Shares | 12/01/2004 | | S | | 7,927 | D | \$ 48.65 | 116,994.57 D |
| Common Shares | 12/01/2004 | | S | | 600 | D | \$ 48.67 | 116,394.57 D |
| Common Shares | 12/01/2004 | | S | | 16,400 | D | \$ 48.68 | 99,994.57 D |

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

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(9-02)

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) | | | |
|---|---|---|---|---|--|--|-----|---|--------------------|------------------|-------------------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| 01/02/98 Employee Stock Option | \$ 23.94 | 12/01/2004 | | M | | 24,927 | | 01/04/2001 | 01/04/2008 | Common Shares | 24,927 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| O GRADY JOHN P 50 NORTH LAURA STREET 19TH FLOOR JACKSONVILLE, FL 32202 | | | Senior Vice President | |

Signatures

By: W. Edwin Frazier, III Attorney
-in-Fact

12/03/2004

__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).

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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