

FORM 4	UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549	OMB APPROVAL
<p><input type="checkbox"/> Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).</p> <p style="text-align: center;">STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP</p> <p style="text-align: center;">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(b) of the Investment Company Act of 1940</p>		<p>OMB Number: 3235-0287 Expires: January 31, 2005 Estimated average burden hours per response: 0.5</p>

1. Name and Address of Reporting Person* OGrady, John P. (Last) (First) (Middle) 50 North Laura Street 19th Floor (Street) Jacksonville, FL 32202-664 (City) (State) (Zip) U.S.	2. Issuer Name and Ticker or Trading Symbol Rayonier Inc. RYN 3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary) 4. Statement for Month/Day/Year January 23, 2003 5. If Amendment, Date of Original (Month/Day/Year)	6. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer _____ Other _____ <input checked="" type="checkbox"/> Senior Vice President, Administration 7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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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 and Voluntary Code (Instr. 8)	4. Securities Acquired (A) or Disposed (D) Of (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/D Price			
Common Shares	01/23/2003		M 1	18000.00 A		D	
Common Shares	01/23/2003		F	8000.00 D \$43.2200	38278.12	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 required to respond unless the form displays a currently valid OMB control number. (over) SEC 1474 (9-02)

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Form 4 (continued)

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 and Voluntary (V) Code (Instr.8)	5. Number of Derivative Securities Acquired (A) or Disposed (D) Of (Instr. 3,4 and 5)	6. Date Exercisable(DE) and Expiration Date(ED) (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr.5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transactions (Instr.4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr.4)	11. Nature of Indirect Beneficial Ownership (Instr.4)
				Code V		(DE) (ED)					
2000 Performance Shares		01/23/2003		M	(D) 12,000.00		Common Shares - 12,000.00		0.00	D	

Explanation of Responses : **By: W. Edwin Frazier, III, Attorney-in-Fact** _____
** Signature of Reporting Person Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). **Power of Attorney**

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Page 2

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. **OGrady, John P. - January 23, 2003**

Form 4 (continued)

FOOTNOTE Descriptions for Rayonier Inc. RYN	Form 4 - January 2003
<p>John P. OGrady 50 North Laura Street 19th Floor Jacksonville, FL 32202-664</p>	
<p>Explanation of responses:</p> <p>(1) Performance Shares were paid in Rayonier Inc. Common Shares in an amount equal to 150% of the 2000 Performance Shares awarded based upon Rayonier Inc.'s total shareholder return performance from January 1, 2000 to December 31, 2002.</p>	