
**UNITED STATES
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): 3/12/2008

RAYONIER INC.

(Exact name of registrant as specified in its charter)

Commission File Number: 1-6780

North Carolina
(State or other jurisdiction
of incorporation)

13-2607329
(IRS Employer
Identification No.)

50 North Laura Street
Jacksonville, Florida
32202

(Address of principal executive offices, including zip code)

904-357-9100

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events

On March 12, 2008, Rayonier Inc. announced that it entered into an agreement to purchase 56,300 acres of timberland in Washington for \$215 million from Sierra Pacific Industries.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press release entitled "Rayonier to Purchase 56,300 Acres of Timberland in Washington", dated March 12, 2008.

Signature(s)

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.

RAYONIER INC.

Date: March 13, 2008

By: /s/ Hans E. Vanden Noort
Hans E. Vanden Noort
Senior Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
EX-99.1	Press release entitled "Rayonier to Purchase 56,300 Acres of Timberland in Washington", dated March 12, 2008.

News Release

Contacts

Investors	Mr. Carl Kraus	904-357-9158
Media Relations	Mrs. Shannon Thuren	904-357-9181

For Immediate Release

Rayonier to Purchase 56,300 Acres of Timberland in Washington

JACKSONVILLE, Fla., March 12, 2008 – Rayonier (NYSE:RYN) today announced that it has entered into a definitive agreement to purchase approximately 56,300 acres of timberland in southwestern Washington from Sierra Pacific Industries. The purchase, which is expected to close early in the second quarter, is valued at \$215 million, (\$3,819 per acre), subject to customary adjustments and prorations. It will increase Rayonier’s Washington holdings to more than 426,000 acres.

“This acquisition reflects our strategy to grow and upgrade our portfolio with timberlands that meet our strategic investment criteria. In this case, we will substantially increase our holdings of merchantable Douglas-fir and western hemlock timber, and gain highly productive land for long-term management,” said Rayonier chairman, president and CEO Lee M. Thomas. “We have a great deal of forestry expertise in the region, which will allow us to successfully integrate this timberland into our portfolio.”

Funding for this cash accretive purchase will be provided through a combination of cash on hand and borrowings from our existing revolving credit facility. The acquisition will be structured as part of a tax-efficient like-kind exchange which will provide significant benefits by eliminating tax on gains from real estate sales, and by increasing returns on the future sales of our higher-and-better-use (HBU) real estate properties.

Rayonier manages its Washington timberlands in accordance with the Sustainable Forestry Initiative® and intends to certify the acquired timberlands.

Headquartered in Jacksonville, Fla., Rayonier is a leading international forest products company with three core businesses: Timber, Real Estate and Performance Fibers. The company owns, leases or manages 2.5 million acres of timber and land in the United States and New Zealand. The company’s real estate holdings include approximately 200,000 acres in the fast-growing counties along Interstate 95 between Savannah, Georgia, and Daytona Beach, Florida. Rayonier is structured as a real estate investment trust.

Except for historical information, the statements made in this press release are “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements, which include statements regarding anticipated earnings, revenues, taxes and other statements relating to Rayonier’s financial and operational performance, in some cases are identified by the use of words such as “may,” “will,” “should,” “expect,” “estimate,” “believe,” “anticipate” and other similar language. The following important factors, among others, could cause actual results to differ materially from those expressed in the forward-looking statements contained in this release: unexpected delays in the entry into or closing of real estate sale transactions, including, without limitation, the above-described transaction; changes in law or policy that might condition, limit or restrict the development of real estate; the ability of the company to identify and complete timberland and higher-value real estate acquisitions, including the transactions referenced above; the ability of the company to complete tax-efficient, like-kind exchanges of real estate; and implementation or revision of governmental policies and regulations affecting taxes, including changes in tax laws that could reduce the benefits associated with REIT status or like-kind exchanges of real estate. For additional factors that could impact future results, please see the company’s most recent Form 10-K on file with the Securities and Exchange Commission. Rayonier assumes no obligation to update these statements except as may be required by law.