

**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): 02/28/2007**

**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))
-

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On February 27, 2007, the Board of Directors of Rayonier Inc. ("Rayonier") elected Lee M. Thomas, age 62, to the position of President and Chief Executive Officer effective March 1, 2007. Mr. Thomas will succeed W. Lee Nutter, who will continue to serve as Chairman of the Board of Directors through June 30, 2007, at which time Mr. Thomas will also assume the title of Chairman and Mr. Nutter will retire from the Board. A copy of the press release announcing Mr. Thomas' election is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Mr. Thomas joined the Rayonier Board of Directors on June 2, 2006. From 2002 until his retirement on December 31, 2005, he was President, Chief Operating Officer and a member of the Board of Directors of Georgia-Pacific Corp., one of the world's largest forest products companies.

Mr. Thomas' compensation package consists of the following: (i) a 2007 annual base salary of \$850,000; (ii) a 2007 target bonus equal to 100% of his base salary (prorated to reflect 10 months of service); (iii) a long-term incentive award consisting of 55,300 performance shares and 49,200 non-qualified stock options; and (iv) a restricted stock grant of 50,000 shares with 7,500 shares vesting on the third anniversary of the March 1, 2007 grant date, 17,500 shares vesting on the fourth anniversary of the grant date and 25,000 shares vesting on the fifth anniversary of the grant date.

The performance shares, stock options and restricted stock are issued pursuant to the 2004 Rayonier Incentive Stock and Management Bonus Plan (the "2004 Plan"). The performance share grant was made contingent upon approval by Rayonier's shareholders of an amendment to the 2004 Plan at the 2007 Annual Shareholders Meeting removing the limitation on the number of shares available for issuance as performance shares and restricted stock. Mr. Thomas' 2007 bonus shall be subject to the terms of the 2007 Annual Corporate Bonus Program and the terms of the performance shares shall be consistent with the 2007 Class Awards made to other Rayonier executives.

Mr. Thomas will receive benefits consistent with those available generally to all salaried employees and executives of the Corporation. He will also be entitled to participate in the Senior Executive Tax Program, and was added as a Tier I participant in the previously filed Rayonier Inc. Executive Severance Pay Plan.

In recognition of his 40 years of service to Rayonier, on February 27 the Board of Directors also approved the following retirement benefits for Mr. Nutter: (i) an extension of time to exercise all outstanding stock options until the expiration of their term; (ii) full payouts (as opposed to prorated payouts) under the 2005 and 2006 Class Performance Share Awards; and (iii) through January 31, 2009 (when he would reach the normal retirement age of 65), office space and related services up to \$6,000 per month, continued participation in the executive physical program and the Senior Executive Tax Program.

---

**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: February 28, 2007

By: /s/ HANS E. VANDEN NOORT

---

Hans E. Vanden Noort  
Senior Vice President and Chief Accounting Officer

## Exhibit Index

<b>Exhibit No.</b>	<b>Description</b>
EX-99.1	Press release entitled "Rayonier Names Lee M. Thomas as President and CEO" issued February 28, 2007.

For further information

Media Contact: Jay Fredericksen 904-357-9106

Investor Contact: Parag Bhansali 904-357-9155

### **Rayonier Names Lee M. Thomas as President and CEO**

JACKSONVILLE, Fla., February 28, 2007 - Rayonier (NYSE:RYN) said today that its Board of Directors has elected Lee M. Thomas to be President and CEO, effective March 1, 2007, succeeding Lee Nutter, who previously announced his plans to retire. Thomas will also become Chairman when Nutter retires from the Board June 30, 2007.

Thomas, 62, has been a member of Rayonier's Board of Directors since June 2, 2006. He was President and Chief Operating Officer and on the Board of Directors of Georgia-Pacific Corp. from 2002 until his retirement December 31, 2005, following Georgia-Pacific's acquisition by Koch Industries.

"We are delighted that Mr. Thomas has agreed to lead Rayonier," the Board of Directors said in a statement. "His broad experience managing the operations of one of the world's largest forest products companies, combined with distinguished government service, make him uniquely qualified to build on Rayonier's record of success."

During his 13-year career with Georgia-Pacific, Thomas held key executive positions overseeing wood products, pulp, paper and chemicals, and environmental and government affairs. Prior to Georgia-Pacific, he was Chairman and Chief Executive Officer of Law Companies Environmental Group Inc. from 1989-1993 and Administrator of the U.S. Environmental Protection Agency from 1985-1989.

"I was delighted last year to be invited to join the Board given Rayonier's reputation as one of the top-performing companies in the forest products industry," Thomas said. "In my brief time on the Board, my appreciation of Rayonier's people, their results-driven culture, timber REIT structure and strategic focus has continued to grow. I am honored and excited that I have been given the opportunity to work more closely with the team at Rayonier and to contribute to their long tradition of excellence and success."

Thomas serves on the boards of the Regal Entertainment Group, Airgas Inc. and the Federal Reserve Bank of Atlanta. He graduated from the University of the South and has a master's degree from the University of South Carolina.

### **About Rayonier**

Rayonier is a leading international forest products company with three core businesses: Timber, Real Estate and Performance Fibers. It owns, leases or manages 2.7 million acres of timber and land in the U.S., New Zealand and Australia. The company's holdings include approximately 200,000 acres with residential and commercial development potential along the fast-growing Interstate 95 corridor between Savannah, Georgia, and Daytona Beach, Florida. Its Performance Fibers business is the world's leading producer of high-value specialty cellulose fibers. Approximately 40 percent of the company's sales are outside the U.S. to customers in more than 50 countries. Rayonier is structured as a real estate investment trust.

For further information about Rayonier, visit the company's website at [www.rayonier.com](http://www.rayonier.com). Complimentary copies of Rayonier press releases and other financial documents are available by calling 1-800-RYN-7611.

MULTIMEDIA AVAILABLE:

<http://www.businesswire.com/cgi-bin/mmg.cgi?eid=5344189>

###