

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[] Check this box if no longer Subject to Section 16.

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(f) of the Investment Company Act 1940

OMB Number 3235-0287
Expires: September 30, 1998
Estimated ave. burden hours per response.....0.5

1. Name and Address of Reporting Person* | 2. Issuer Name and Ticker or Trading Symbol | 6. Relationship of Reporting Person to Issuer (Check all Applicable)
Rayonier of Reporting Person | Year
---(give title below) --- (Specify below)
Director 10% Owner
X Officer Other
---(give title below) --- (Specify below)
Vice President and Controller
3. IRS or Soc. Sec. No. of Reporting Person (Voluntary) | 4. Statement for Month/Year
January 2000
5. If Amendment, Date of Original (Month/Year) | 7. 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

Table with 7 main columns: 1. Title of Security (Instr. 3), 2. Transaction Date (Mon/Day/Yr), 3. Trans. Code (Instr. 8), 4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5), 5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 & 4), 6. Form (D) or (I), 7. Nature of Indirect Beneficial Ownership (Instr. 4).
Row 1: Common Shares, \$.0000, 245, I, In Trust

Reminder: Report on a separate line for each class securities owned directly or indirectly.
*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

SEC 1474 (7-96)

FORM 4 (continued)

TABLE II - Derivative Securities Acquired, Disposed of, Beneficially Owned (e.g., puts, calls, warrants, options, convertible security)

Table with 11 columns: 1. Title of Derivative Security (Instr. 3), 2. Conversion or Exercise Price of Derivative Security, 3. Transaction Date (Mon/Day/Year), 4. Transaction Code (Instr. 8), 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5), 6. Date Exercisable and Expiration Date (Month/Day/Year), 7. Title and Amount of Underlying Securities (Instr. 3 & 4), 8. Price of Derivative Security (Instr. 5), 9. Number of Derivative Securities Owned at End of Month (Instr. 4), 10. Form (D) or (I), 11. Nature of Indirect Beneficial Ownership (Instr. 4).
Row 1: EMPLOYEE STOCK OPTION, \$46.7500, 01/03/2000, A, V, 5000, 01/03/2001-01/05/2010, Common Shares, 5000, \$46.7500, 5000, D

Explanation of Responses:

(01) Vests in one-third installments annually commencing on January 3, 2001.

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

/s/John B. Canning, Attorney-in-Fact

02/04/2000

**Signature of Reporting Person

Date

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

SEC 1474 (7-96)

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 OMD Number

Kay, George C.

Rayonier

JAN-2000 PAGE: 2 OF 2

