

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G  
Under the Securities Exchange Act of 1934

(Amendment No. 2)\*

Rayonier Inc.

-----  
(Name of Issuer)

Common Stock

-----  
(Title of Class and Securities)

754907103

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(CUSIP Number of Class of Securities)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following page(s))

CUSIP No. 754907103

13G

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(1) NAMES OF REPORTING PERSONS

Southeastern Asset Management, Inc. I.D. No. 62-0951781

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(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

(a)

(b) X

-----  
(3) SEC USE ONLY

-----  
(4) CITIZENSHIP OR PLACE OF ORGANIZATION

Tennessee

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NUMBER OF SHARES BENEFICIALLY  
OWNED BY EACH REPORTING PERSON  
WITH

: (5) SOLE VOTING POWER

: (Discretionary Accounts)

: 2,228,600 shares

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: (6) SHARED OR NO VOTING POWER

: 3,161,000 shares (Shared)

447,400 shares (None)

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: (7) SOLE DISPOSITIVE POWER

: (Discretionary Accounts)

: 2,676,000 shares  
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: (8) SHARED DISPOSITIVE POWER  
: 3,161,000 shares

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
(Discretionary & Non-discretionary Accounts)  
5,837,000 shares

(10) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES  
CERTAIN SHARES

(11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
19.9 %

(12) TYPE OF REPORTING PERSON  
IA

CUSIP No. 754907103 13G

(1) NAMES OF REPORTING PERSONS  
Longleaf Partners Fund I.D. No. 63-6147721

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:  
(a)  
(b) X

(3) SEC USE ONLY

(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
Massachusetts business trust

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH  
: (5) SOLE VOTING POWER  
:  
: None

: (6) SHARED VOTING POWER  
:  
: 2,900,000 shares

: (7) SOLE DISPOSITIVE POWER  
:  
: None

: (8) SHARED DISPOSITIVE POWER  
:  
: 2,900,000 shares

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
2,900,000 shares

(10) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES  
CERTAIN SHARES

(11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
9.9 %

(12) TYPE OF REPORTING PERSON  
IV

CUSIP No. 754907103 13G

(1) NAMES OF REPORTING PERSONS  
O. Mason Hawkins I.D. No. ###-##-####

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:  
(a)  
(b) X

(3) SEC USE ONLY

(4) CITIZENSHIP OR PLACE OF ORGANIZATION  
Citizen of United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

: (5) SOLE VOTING POWER  
: (Discretionary Accounts)  
: None

: (6) SHARED VOTING POWER  
: None

: (7) SOLE DISPOSITIVE POWER  
: None

: (8) SHARED DISPOSITIVE POWER  
: None

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
None (See Item 3 )

(10) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES

(11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
0.0%

(12) TYPE OF REPORTING PERSON  
IN

Item 1.

- (a). Name of Issuer: Rayonier Inc. ("Issuer")  
(b). Address of Issuer's Principal Executive Offices:

1177 Summer Street  
Stamford, CT 06905-5529

Item 2.

- (a) and (b). Names and Principal Business Addresses of Persons Filing:

- (1). Southeastern Asset Management, Inc.  
6075 Poplar Ave., Suite 900  
Memphis, TN 38119
- (2). Longleaf Partners Fund, a series of Longleaf Partners Funds Trust  
6075 Poplar Ave., Suite 900  
Memphis, TN 38119
- (3). Mr. O. Mason Hawkins  
Chairman of the Board and C.E.O.  
Southeastern Asset Management, Inc.  
6075 Poplar Ave., Suite 900  
Memphis, TN 38119

- (c). Citizenship:

Southeastern Asset Management, Inc. - A Tennessee corporation

Longleaf Partners Fund, which is a series of Longleaf Partners Funds Trust, a Massachusetts business trust.

Mr. O. Mason Hawkins - U.S. Citizen

(d). Title of Class of Securities: Common Stock (the "Securities").

(e). Cusip Number: 754907103

Item 3. If this statement is filed pursuant to Rules 13d-1 (b) or 13d-2 (b), check whether the person filing is a:

(d). Investment Company registered under Sec. 8 of the Investment Company Act- Longleaf Partners Fund, a series of Longleaf Partners Funds Trust.

(e). Investment Advisor registered under Section 203 of the Investment Advisers Act of 1940. This statement is being filed by Southeastern Asset Management, Inc. as a registered investment adviser. All of the securities covered by this report are owned legally by Southeastern's investment advisory clients and none are owned directly or indirectly by Southeastern. As permitted by Rule 13d-4, the filing of this statement shall not be construed as an admission that Southeastern Asset Management, Inc. is the beneficial owner of any of the securities covered by this statement.

(g). Parent Holding Company. This statement is also being filed by Mr. O. Mason Hawkins, Chairman of the Board and C.E.O. of Southeastern Asset Management, Inc. in the event he could be deemed to be a controlling person of that firm as the result of his official positions with or ownership of its voting securities. The existence of such control is expressly disclaimed. Mr. Hawkins does not own directly or indirectly any securities covered by this statement for his own account. As permitted by Rule 13d-4, the filing of this statement shall not be construed as an admission that Mr. Hawkins is the beneficial owner of any of the securities covered by this statement.

Item 4. Ownership:

(a). Amount Beneficially Owned: (At 12/31/96)  
5,837,000 shares

(b). Percent of Class: 19.9 %

Above percentage is based on 29,366,755 shares of Common Stock outstanding at 11/7/96.

(c). Number of shares as to which such person has:

(i). Sole power to vote or to direct the vote:

2,228,600 shares

(ii). Shared or no power to vote or to direct the vote:

Shared - 3,161,000 shares; Consists of 2,900,000 shares owned by Longleaf Partners Fund and 261,000 shares owned by Longleaf Partners Realty Fund, which are series of Longleaf Partners Funds Trust, an open-end management investment company registered under the Investment Company Act of 1940.

No power to vote - 447,400 shares.

(iii). Sole power to dispose or to direct the

disposition of:

2,676,000 shares

(iv). Shared power to dispose or to direct the disposition of:

3,161,000 shares; Consists of 2,900,000 shares owned by Longleaf Partners Fund and 261,000 shares owned by Longleaf Partners Realty Fund, which are series of Longleaf Partners Funds Trust, an open-end management investment company registered under the Investment Company Act of 1940.

Item 5. Ownership of Five Percent or Less of a Class: N.A.

Item 6. Ownership of More Than Five Percent on Behalf of Another Person: N/A

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company: N/A

Item 8. Identification and Classification of Members of the Group: N/A

Item 9. Notice of Dissolution of Group: N/A

Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

#### Signatures

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this statement is true, complete, and correct.

Dated: January 31, 1997

Southeastern Asset Management, Inc.

Longleaf Partners Fund

By /s/ Charles D. Reaves

By /s/ Charles D. Reaves

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Charles D. Reaves  
Vice President and  
General Counsel

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Charles D. Reaves  
Executive Vice President

O. Mason Hawkins, Individually

/s/ O. Mason Hawkins

#### Joint Filing Agreement

In accordance with Rule 13d-1(f) under the Securities Exchange Act of 1934, the persons or entities named below agree to the joint filing on behalf of each of them of this Schedule 13G with respect to the Securities of the Issuer and further agree that this joint filing agreement be included as an exhibit to this Schedule 13G. In evidence thereof, the undersigned hereby execute this Agreement as

of the 31st day of January, 1997.

Southeastern Asset  
Management, Inc.

Longleaf Partners Fund

By /s/ Charles D. Reaves

By /s/ Charles D. Reaves

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Charles D. Reaves  
Vice President and  
General Counsel

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Charles D. Reaves  
Executive Vice President

O. Mason Hawkins, Individually

/s/ O. Mason Hawkins  
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