KNOLL JEROME C
Form 4
November 22, 2004

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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(h) of the Investment Company Act of 1940

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
KNOLL JEROME C

(Last) (First) (Middle)

601 W. RIVERSIDE AVENUE, SUITE 1100

(Street)

SPOKANE, WA 99201

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
POTLATCH CORP [PCH]

3. Date of Earliest Transaction (Month/Day/Year)
11/22/2004

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. 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

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (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) or (D)	Price			
Common Stock	11/22/2004		M		1,688	A	$ 27.9296	2,688	D	
Common Stock	11/22/2004		M		1,312	A	$ 23.7002	4,000	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. D S (I
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (right to buy)	$ 27.9296	11/22/2004		M		1,688 (1)		12/31/2003	12/31/2011	Common Stock	1,688	
Stock Option (right to buy)	$ 23.7002	11/22/2004		M		1,312 (2)		12/05/2003	12/05/2012	Common Stock	1,312	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KNOLL JEROME C 601 W. RIVERSIDE AVENUE, SUITE 1100 SPOKANE, WA 99201	X			

Signatures

Malcolm A. Ryerse,
Attorney-in-fact 11/22/2004

**Signature of Reporting Person Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

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

(1) The reporting person was granted stock options on December 31, 2001, to vest in two equal annual installments. The grant was made under the stockholder-approved Potlatch Corporation 2000 Stock Incentive Plan.

(2) The reporting person was granted stock options on December 5, 2002, to vest in two equal annual installments. The grant was made under the stockholder-approved Potlatch Corporation 2000 Stock Incentive Plan. One-half of the options granted vested on December 5, 2003, and the remaining half will vest on December 5, 2004.

(3) The stock option, after exercise, was acquired and added to the shares owned by the reporting person, therefore Column 8 has been left blank.

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

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