Captain Midnight became a sensation and a folk hero of sorts in some home satellite circles when, on April 27 at 12:32 a.m., he overpowered HBO's transmission of "Falcon and the Snowman" on Hughes Communications' Galaxy I satellite for approximately four-and-a-half minutes, superimposing color bars and a message protesting the scrambling of cable programming.

HBO began scrambling the satellite feed of HBO and Cinemax on Jan. 15 and, at the same time, began charging dish owners $12.95 a month to subscribe to one of the services. The FCC, which last week signed a definitive agreement to sell its five television stations and five low-power TV stations for $301.5 million to First Chicago Venture Capital and Kansas City, Mo.-based Hallmark Cards.

MacDougall was suspected, but not accused, of with disrupting the same HBO feed on another occasion, Smith said. The incident, which had previously gone unreported, occurred April 20, he said. The disruption, a pre-emption of HBO's programming by color bars only, started at 12:49 a.m. NYST and lasted for approximately three minutes, he said. The FCC didn't learn about the first incident until the second, and the first incident may have been a test.

Most of the press conference was devoted to Smith's explanation of how the FCC tracked down Captain Midnight.

According to Smith, the FCC's principal clues came from videotapes of the April 27 incident. Electronic analysis revealed that the interfering signal came from a large, commercial uplink with a dish at least seven meters in diameters and a transmitter with at least 2 kw of power, he said. The FCC was also able to ascertain from the tapes that the message was produced by a Microgen MG-100 character generator manufactured by Quanta Corp.

Armed with the information, FCC investigators went to an FCC database and found that only 580 of the 2,000 licensed uplinks in the country had large enough dishes to be the source of the interference. In surveying the 580, they found fewer than a dozen that had the two other things they were looking for: 2 kw of power and the Quanta character generator. Investigations began early this month.

The Central Florida Teleport soon became the principal target of the investigation. It was, it turned out, the only facility that had the necessary equipment—a 9.2-meter dish coupled to a 3.3 kw transmitter—available at the right time. The teleport's scheduled programming on April 20 and April 27 ended just before the disruptions began. And the operator on both nights was MacDougall.

After being notified, MacDougall that he was an object of their investigations and began subpoenaing friends and associates two weeks ago, MacDougall hired a lawyer and turned himself in.

According to Smith, the FCC's investigation was aided by a "visitor in Florida from Wisconsin." The person overheard another individual—not MacDougall—speaking on a public telephone about the Captain Midnight affair, he said. The person reported what he heard to the FCC along with a description of the individual making the call and the license plate number of the car he drove away in. Smith said. The information helped investigators zero in on MacDougall, he said.

Ownership of the largest Spanish-language station group will soon be based in the Midwest, as Spanish International Communications Corp. last week signed a definitive agreement to sell its five television stations and five low-power TV stations for $301.5 million to First Chicago Venture Capital and Kansas City, Mo.-based Hallmark Cards. The TV stations are: KFTV(TV) in Bakersfield, Calif.; Denver; Hartford, Conn.; Philadelphia, and Austin, Tex. Both buyers, who will each own 50% of the yet-to-be-named new company, characterized the $301.5-million purchase as an investment and said they had no intention of directly running the Spanish-language media outlets. Their task of persuading current management to stay will be made more difficult by terms of the FCC-SICC settlement agreement, which said that current management may not own any ownership in the stations for at least two years.

One member of the current management, as well as an owner, director and senior vice president of SICC. Daniel Villanueva, said he would make a decision about whether to stay after he had talked to the new owners. But he downplayed any possible concern that the new owners might not be responsible to the Spanish community: "I don't understand why everyone is now worried about who owns the station. I mean, every major Spanish media outlet in Los Angeles is already owned by a non-Hispanic. And the two largest Spanish-language radio groups in the country, Tichenor and Lotis, are owned by non-Hispanics. I guess all this concern is a tribute to the job we've been doing. More than ownership, I look to the product, to the level of commitment, and the financial strength to fulfill that commitment."

Villanueva, for the past 15 years, has been general manager of KMXV-TV. He said that owners with deeper pockets might be able to take some of the pressure off the station.